

WHAT DO YOUR CUSTOMERS NEED?

Extracts from "Getting Down to Business" by Uschi Kraus-Harper and Malcolm Harper

Finding Out About the Market

Successful business people see opportunities, where other people see problems:

- When people have a *need*, they have a *problem*.
- You can *satisfy* their need; that is your *opportunity*.

But, you must be as sure as you can that you know what they need, where they are, and how they are trying to satisfy the need right now.

A market study is not a complicated expensive thing that only big companies can do, or that you only need to satisfy the bankers. It is a practical, economical way of reducing your risk and finding out how you can help people to satisfy their needs.

There are two major problems:

1. You can't ask *all* your potential customers, it would take too long.
2. What people *say* they will buy is not the same as what they *will* buy.

So: ask a *sample*, which is typical of the whole group, and need not be more than about fifty people.

And: whenever possible, *try out* your product or service, on a small scale, to see if people actually will buy it.

Sources of Information

1. **Published data:** for trends, exports and imports (this does not include smuggled goods, which may be important!)
2. **Questionnaire surveys:** but try out the questionnaire first, do not try to get too much information, and be sure why you want to know what you are trying to find out.
3. **Observation:** assess the amount of traffic, watch the shoppers, look at the advertisements.
4. **The competitors:** how well are they doing, where are they, what do their customers think, what are their prices?

Remember:

- if there are no competitors, maybe there is no market
- if there are very many competitors, the market must be very big, maybe you can find a 'niche' where nobody else is selling
- the business that everyone says you should go into today is probably the one where everyone will be losing their money tomorrow

The Marketing Mix

PRODUCT, PLACE, PROMOTION AND PRICE

- **THE PRODUCT** (or service) - its presentation, its packaging, its varieties, its design, its colours, its styles, its materials.
- **THE PLACE** - where it is bought, the physical and the social barriers, home delivery, the distribution channels, transport, the atmosphere, the decoration.
- **THE PROMOTION** - advertising, free publicity, personal selling, shows, exhibitions, in-shop displays, mailings, phone calls.
- **THE PRICE** - the amount, the status and quality meaning of high prices, the discounts, the credit terms.

All these, and many more, are the ingredients of the 'mix' that you must select in order to provide your chosen customer group with the best 'bundle' of values; there is far more to it than just price and quality!

The Unique Selling Point

What is your USP? *Why* do people buy *your* product or service, not somebody else's, what is your plus point? Identify it and build on it, do not destroy it!

Remember, you are selling *benefits*, not products; it can be status, entertainment, enjoyment, attractiveness or convenience just as much as nourishment, or protection or decency. Remember the clothes you are wearing!

Some Rules for Successful Marketing

1. Good marketers sell products that do not come back, to customers who do.
2. Successful marketing is a matter of building and sustaining human relationships.
3. Put yourself in your customers' shoes.
4. Make it easy for people to do business with you.