

## **Marketers have to challenge the sacred cows in their companies and extend the boundaries**

I'd like to lay down a challenge to marketers in all companies. It is simply to be more creative to challenge the more traditional marketing thinking and to advance beyond conventional dogma to create more value for their customers and to capture more profits for their employers. As shipping magnate, Aristotle Onassis once said, 'The secret of business...is to know something nobody else knows'.

We are all aware of products, but the secret of successful marketing lies beyond the products. Marketing is not about products, it is about customers. Marketing is about understanding the needs of customers and the benefits they seek and the value they attach to receiving those benefits. The customer is willing to pay a certain price for the benefit received.

What Market are you in?

The starting point for being a better marketer is to figure out what market you are in. If you are able to define your market according to the needs of your customers, rather than according to the products you produce and try to sell, you are on the road to becoming a value-based marketer.

Integrating the Customer Perspective

Value-based marketers need to integrate the customer's perspective in their analyses and decisions.

Buyers of the same product can have different value ratios. For example, someone who is the designer, developer or builder of an owner-occupied office or shopping development is more focused on the desired benefits and is less concerned about the relative costs. Conversely, the designer, developer or builder of a speculative rental scheme is likely to be more of a price buyer.

The key to value-based marketing is to understand the customer's value-set and addressing those values with a targeted offering.

The customers will choose the offering they prefer, based on their perception of the strengths and weaknesses of the respective offerings available. So at MarketAbility we also insist upon a customer perspective being taken in SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. This is something that is often done from an internal rather than an external perspective.

There is no such thing as a commodity

If we think our product is a commodity, and if we think the customer perceives no difference between offerings, then neither we nor they will see the differences. The challenge for the value-based marketer is to continue to have the customer perceive unique value in their offering and it is in seeing the offering as a complete offering and not just as a product. This is where the value-based marketer succeeds and the traditional marketer fails. It is a constant challenge to maintain differentiation in the offering.

Physical products often cannot be differentiated for a sustainable period of time and that is why we urge all value-based marketers to see the other dimensions of their offering. An offering consists of three equally important elements and ALL offerings MUST contain something of each:

**PRODUCT - SERVICE - INTANGIBLE**

Very often it is the service (e.g. easier to do business with) and the intangible (e.g. reputation, relationship) elements of an offering that provide the real distinction and differentiation. Products that are otherwise undifferentiated products can be differentiated in this way.

Link Actions to Customer Value

Even the best strategies can still fail, if there is not an effective and

efficient implementation. A frequent failing we identify is the lack of any linkage between actions that are being carried out and the creation of customer value. Our action planning template tries to remedy this by forcing a link between all actions and the customer commitment -- the basis of your value creation. The rule is: if it does not create value for your customer and bring profit to the company, why do it?

Conclusion:

Challenge the Sacred Cows and Change the Way You Market

Traditional marketing models and conventional use of them does not serve the needs of the modern marketer or the modern business. To survive in the competitive and fast-changing world of the 21st century, marketers must challenge the old school and change the way they go to market.