



Before You Spend a Cent on Marketing: Answer These Three Questions

Every business needs good marketing in order to thrive. Still, most businesses squander precious resources on promoting the wrong products, in the wrong way, to the wrong people.

Take a few minutes to consider the following three deceptively simple questions. Let them expand your perspective on your business. The answers will reveal your venture's essential and unique value, as well as the surprisingly large group of people who already want to buy from you (whether they know it or not).

1. What am I selling?
2. Who are my customers?
3. What benefits are my customers buying?

1. What am I selling?

This question sounds naïve, but it's surprisingly deep. For instance, if your company develops and sells a tangible product such as software or fountain pens, it seems obvious that these things are your products – right?

...Well, that's partly right. Your true product or service goes far beyond software, fountain pens, loan processing services, or chocolate chip cookies. In fact, if such easily defined items were all had to offer, you probably wouldn't be in business very long.

Your true product or service is
How you solve customers' problems or expand their opportunities.

Long gone are the days when simply being a skilled craftsman (such as a blacksmith, barrel-maker, or baker) was all you needed to have a thriving business. In those days it didn't matter if, in another village 50 miles away, someone else was running exactly the same kind of business – maybe even doing it better. Such competition posed no real threat because communication moved slowly: by word of mouth, or in printed materials that took considerable to produce and deliver. Back then, if your local customers happened to learn that another baker 50 miles away produced a superior loaf of bread, they probably wouldn't jump on a horse and ride so far away just to buy it.

Today, the competitive situation is radically different:

- **Communication** is global and virtually instant. In the same few seconds a prospective customer can easily find and contact your business as well *as all your competitors*. Also, Internet communication makes comparison-shopping fairly effortless. That means it's increasingly difficult to differentiate products and services, which are described only by a list of features.
- **Transportation** allows fast delivery and globally dispersed production. For many kinds of businesses, location now makes little or no difference to customers.

Consequently, it's more important than ever to **make your offerings clearly unique**. Avoid marketing, which implies that you're selling a commodity. Customers can buy commodities from any number of sources – so the only way to compete is by price. Ultimately, the point of marketing is not to describe your product or service. Mere descriptions apply to commodities, not unique solutions.

A better approach is to focus your marketing messages on how you solve customers' problems or grant their wishes. Compelling marketing clarifies beyond the shadow of a doubt **how well you understand your customers** – and that **they can rely on you** to satisfy important needs or desires.

In marketing, everything you do – *everything* – must reflect and resonate with your customers. Yes, making a profit is important. However, there won't be any profit unless customers are certain that they want your product, and that they can afford it and purchase it easily. If you don't communicate those points, you'll miss out on a large proportion of potential sales.

Envisioning your product or service as a true solution requires that you **broaden your perspective about what you're selling and what business you're in**. It's a bit like an optical illusion that reveals entirely new picture when you focus on the “negative space.”



Until you make this shift, you may not be able to respond to challenges and opportunities until it's too late.

For example: What does Fed Ex sell?

- **Typical answer: Shipping or delivery services.** Or perhaps something more abstract, such as transportation services. All of these answers are superficially correct. However, they don't reveal the true benefits and opportunities Fed Ex offers

- **Expansive answer: Fed Ex creates time for its customers.** This compelling, magical-sounding benefit has literally changed the way business is done around the globe. Today, no delivery is more than 24 hours away. Leveraging this benefit gives Fed Ex customers a **competitive edge**, as well as **flexibility**. It can relieve pressure on their internal workflow, or help them respond to sudden changes.

Your business and the market in which you compete are probably far larger than you currently imagine. If you don't think big enough, you could be outfoxed by a competitor who does – and thus steals half your customer base.

2. Who are my customers?

Here again, finding the most useful answer requires some consideration. Fortunately, this effort pays for itself many times over by ensuring that your marketing dollars are well spent.

A typical, superficial way to answer this question is to list characteristics that describe a demographic group. For instance: *Males aged 21 to 35 who live in the Chicago metropolitan area, are single, and who drink 6+ beers per week.*

There's a far better way to develop a truly effective customer profile: **Focus on wants or needs.**

First of all, **which problems does your business solve?** Break each of these problems down to its most basic level: a need or desire.

For instance, who are Porsche customers?

Typical answer: Upper-income professionals aged 30-50 who live or work within 100 miles of a major city, own a luxury home or condo, and purchase other luxuries such as fine jewelry or interior design services.

Expansive answer: Image-conscious, wealthy people who enjoy displaying their money, taste, intelligence, and skill. They don't simply need to get around, they love the experience of driving – and they must look great doing it. They value quality and design over economy and practicality. Nobody “needs” an extravagant sports car. However, people can desire an upscale personal image so strongly that it feels like a need.

The key to developing a truly useful customer profile is to **shift your perspective**. Once you start focusing on needs and wants, your market will probably appear larger and more opportunity-rich than ever before. Characteristics and labels tend to limit market possibilities; needs and desires reveal them.

Once you've envisioned the basic needs and wants that define your customers, research will fill in the details of that picture. The more you know about your customers, the better you can anticipate their needs and meet their expectations.

Market research doesn't have to be complex or expensive. You can achieve a good ROI by balancing the cost of research and the cost of inaccuracy – and still have enough money left to put

your plan into action. There are many simple, clever, inexpensive ways to learn about customers that also build or strengthen relationships.

3. What benefits are my customers buying?

People don't actually buy products or services. They buy pleasure or relief from pain – whether immediate or anticipated. In order to persuade people to give you some of their hard-earned money, you must **clarify your value**. Don't leave customers guessing – they often guess wrong. This leads to inaccurate expectations, which undermine the strong, sustainable, and profitable business relationship you wish to foster.

People don't hate spending money. They actually love to buy – it's just a matter of persuading them that you are selling what they really want. At the most basic level, people generally want their lives and work to be smoother, more pleasurable, more meaningful, and more gratifying.

If you're offering immediate relief from pain or immediate pleasure, sales will probably be easy. Otherwise, you must supply a compelling reason to buy. This reason becomes crucial if your product or service is relatively abstract, or if there's a significant gap between when people buy and when they experience your benefit.

For example, an accountant will always get emergency business from people who are preparing last-minute tax returns, or who are being audited. These clients are in major pain, and the accountant provides rapid relief. That's an easy sale. However, that same accountant must work harder to sell preventative or planning services such as estate planning or tax planning. Generally, those matters can be postponed indefinitely.

So what does an accountant sell?

Typical answer: Tax and financial advice, and expertise in processing the relevant paperwork.

Expansive answer: A sense of security and safety. Freedom from stress and fear about money or taxes.

Similar to learning about your customers wants and needs, understanding the benefits that will move you customers to action is as simple as *asking them*. There are many straight-forward, inexpensive techniques available to discover the benefits your customers really want (as opposed to what *you think* they want).

About Highly Contagious Marketing

Highly Contagious Marketing supports small business owners in their desire to prosper in competitive markets by helping them develop products and services that provide exceptional, unexpected value to their clients. To learn more, contact Judy Murdoch at judy@judymurdoch.com or call 303-475-2015.