



Marketing your business

Marketing, simply put, is the action of drawing to a customer's attention the goods or services you provide and in so doing helping them to see the available solution so that the customer buys or seeks to engage in a sales process. Marketing shows how your goods or services satisfy a need/solve a problem.

Properly pursued, a marketing campaign will help a business think with greater clarity about its product or service, its markets, its customers and, most importantly, its approach to winning new business.

THE CUSTOMER, ALWAYS THE CUSTOMER

Marketing's first step is to map out who a firm's best customers might be. It seeks to address such questions as how products can be aligned to customer needs. It looks for new markets outside of the existing customer base. It interrogates the product for weaknesses or flaws. It speculates on

what new products can do for sales figures. And it does all this by placing the customer right at the centre of things. It recognises that the primary purpose of the business is to meet the needs of its customers. Making a profit is the outcome of meeting needs.

MARKETING TERMS

Marketing deals with the very basic, practical elements of business.

One of these is price. Undercutting the competition on price often seems like a good tactic: we're cheaper; they'll buy from us. Of course, many people do shop on price. But price should never be confused with the value of a product in the consumer's mind; in many cases it is ultimately quality and value that will create the strongest bond between a business and its customers. The price of any item is finally set by the amount that customers are willing to pay for it, not solely by the cost of producing or delivering it.

Two other important aspects of marketing are features and benefits. A feature is that which the business adds to its product or service; a benefit is the advantage that the buyer gains from using the product or service. So while a car manufacturer might invest in adding a sunroof to their latest model, the driver benefits from a flow of cool air on a hot sunny day. A good marketing strategy will always seek to describe a feature not simply in terms of itself but as a benefit to the customer.

IDENTIFYING YOUR CUSTOMER

Marketing also concentrates on the sort of customer a business should be trying to win over. One way of doing this is to divide a potential audience up into different segments. This can be done by age, gender, social grouping, geographical area or job, depending both on the general market sector and the type of product or service being sold. By separating out potential customers, it makes it easier for a business to accentuate what it is about their product that will most appeal to that group.

BRANDING

Too often, brand image is presumed to be of importance only to big companies. This is not the case. Any business can create a brand image for itself, and inexpensively too. Usually, it need consist of no more than a name and a look. It is this name and look which set the tone



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and personality for the business and its products. The sort of branding a business adopts will be determined by both its product – serious or inexpensive – and its position in the market.

A MARKETING PLAN

The purpose of a marketing plan is twofold. It should define where a business already is, where it would like it to be within a given period of time and how it intends to get there.

KNOW YOURSELF

Before anything else, a business needs to conduct a self-assessment study known as a SWOT analysis. A SWOT analysis gauges a firm's strengths, weaknesses, opportunities and threats. Under strengths, a business should list those things at which it is particularly adept, such as, for example, product quality or customer service. Ditto weaknesses. Strengths and weaknesses are internal to the business while opportunities and threats are external in the marketplace. Opportunities represent openings in the market which are new or which appear relatively unexploited by the competition. Threats focus on what externally can impact the business, for example, the strengths of competitors or the impact of the recession.

MARKET ASSESSMENT

To the SWOT analysis should be added what the business already knows of its customers and market. This should include how well its product or service fits in with existing customer needs; whether a product or service should be refined or added to so it is better able to compete or attract a broader customer base; whether the pricing policy matches the market's expectations; whether the profile of existing or potential customers is changing; and where the best and most loyal customers are likely to be found.

The market should be scanned for shifts in buying habits. Customer groups can shrink and grow according to broader social changes or for quite specific reasons (there's a better or less expensive product elsewhere). It is also important to read the short-term future. This will help a company anticipate such events, say, as imminent technological advances or fluctuations in buying cycles.

Many businesses lack the resources to carry out the level of research that will allow them to establish an exhaustive market overview. But there are still data and information available that will help give a clearer idea of product performance and market penetration. A look back over past

sales figures will yield indicators as to buying patterns (is there a seasonal trend to them?) and the durability of a product's popularity (is it waning and why?). Sometimes, a survey of existing customers – a simple, easy-to-complete questionnaire or a friendly, 'won't-take-a-minute' market research phone call – will yield valuable information on attitudes to price, perceived value, product suitability, service needs and likely future demand.

AIMS

From all this, a business can then set itself some goals. How best to mine its market for the most profitable returns; how to position the product or service so that it most closely matches customers requirements; and how to develop its spread of customers. A business must give itself actual, not wishful, targets, and must then accurately track its progress towards them.

MARKETING ACTIVITIES

There are some final considerations. The more competitors a business has, the noisier its market, and the more it must shout to make itself heard. The longer the gaps between sales, the more forgetful the customer is likely to be, and the more reminders and prompts they need. Special offers on price need to be promoted – so will the hoped-for increase in discounted sales offset the promotional spend? The more tightly a product fits a niche market, the higher its likely profile, and the lower its marketing budget.

Now a business will be in a position to decide exactly where its promotional energies and budgets – into advertising, direct mail, email campaigns, customer relations management – should go.

SUMMARY

Marketing is not a luxury but an essential part of managing a successful business. Without even a basic marketing plan, firms run the risk of invisibility while their competitors steal a march. It is marketing that brings a business to its market.