

WHY DO PEOPLE BUY?

Customers have a choice of many different products or services at their disposal. Why should they elect to support your particular business? If you don't know, then it's high time you found out, says international marketing consultant, Dr. Peter Johnson.

People buy from your company for three primary reasons:

- 1 They like you;
- 2 They trust you; and
- 3 They can justify the buying decision from a logical and rational point of view.

Most sales people gear their presentation, however, only to address the third buying consideration, thus laying themselves wide open to any superior customer service and needs satisfaction selling practiced by competitors.

Marketers and sales executives consequently need to ask themselves what they are offering, or could be offering their customers, in addition to the basic product or service they sell.

In other words, what is that little extra which causes or could cause customers to patronize your company instead of taking their business elsewhere?

The answers to this question are simple enough to uncover. All it requires is talking to your potential and existing customers in order to crystallize their specific needs and preference.

The buying considerations of potential clients:

In order to determine the specific needs of potential customers, Dr. Peter Johnson suggests conducting a telephone survey among decision makers who typify your market.

As we all know, many companies unfortunately use telephone research as a pseudo entry to hard Tele-selling. Dr. Johnson therefore stresses that under no circumstances should these calls ever degenerate into becoming sales calls, even if the recipient expresses enormous interest in your company.

If the respondent should ask for more information about your products or services, reiterate the fact that the purpose of the call is purely for market research purposes, says Dr. Johnson. And state explicitly that should he or she be interested in knowing more about how your company could meet his or her needs, a separate call could always be arranged for this purpose at a later date.

How should one word these research calls? Dr. Johnson personally conducts his calls along the following lines:

"Good morning. My name is Dr. Peter Johnson and I am calling from The Strategic Performance Institute. I am currently in the process of gathering research information on how your company makes decisions concerning their hiring of speakers for annual conventions. Is there someone specifically I should be talking with?"

"Do you know if they are in? (And, state if you are calling long distance.)

Once Dr. Johnson has clarified



Dr. Peter Johnson:
"Your current clients are a key source of marketing information."

that he is speaking to the decision maker, he then proceeds to ask questions specifically geared to elicit the client's key considerations when making the buying decision.

As the client mentions his specific needs, one should naturally note what these are, or tick them off on what Dr. Johnson euphemistically describes as a "buzz-word playback list."

In other words, as you become more aware of the specific benefits likely to be required in your kind of industry, it is easy to develop a comprehensive checklist comprising key words like "quick delivery", "on time", "integrity", etc. and to tick off relevant criteria as they are mentioned by a specific client.

Once several clients have been researched, (Dr. Johnson recommends at least twenty), it is then possible to analyze whether a common needs profile has emerged and what the most pressing needs among buyers seem to

“There is no Honor in being SECOND BEST at Customer Service”

be.

Why your present clients do business with you?

Another critical source of marketing information is your present clientele who have clearly selected to do business with you for one or more specific reasons.

In order to isolate the benefits these customers seek from dealing with your company, Dr. Johnson recommends making a short-list of a few key clients who typify your major customers and who patronize your business on a regular basis.

Once you have isolated these key customers, try to describe them in as much detail as possible, using criteria like:

- * Height;
- * Age;
- * Occupational status;
- * Marital status;
- * Income bracket;
- * Frequency and timing of visit;
- * Type of business they are in;
- * Typical type, size of order;
- * The kind of relationship you have with them;
- * Whether they are the sole decision makers; and so on.

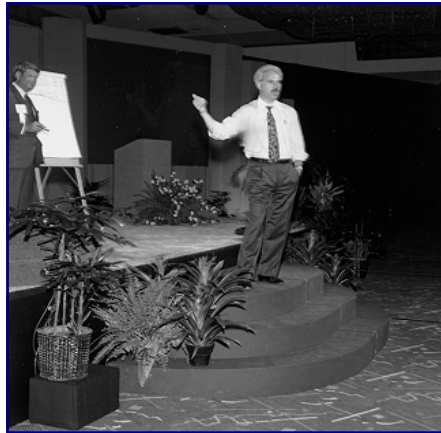
With a typical customer profile in hand, you are now in a position to ask yourself the following key question:

- * Do these customers like doing business with us?
- * Do they trust us?
- * And, why would they specifically purchase our product or service?

In order to generate answers to the above questions, you will need to brainstorm with your team in order to crystallize key benefits which customers probably associate with your business.

A Johannesburg restaurant owner generated the following list for her specific business:

- * Reputation;



**Dr. Peter Johnson
during a lecture tour.**

- * Convenient location (in central business district);
- * Free parking;
- * Congenial atmosphere for business discussions;
- * Specialty menu;
- * Quality of food consistently good; and
- * Fast, personalized service

Once you have generated the list of criteria which you believe key customers specifically seek from your business, try ranking them according to what you believe client preferences would be.

When you are next in contact with a key customer, show him this list and ask him the following questions:

- * Have we overlooked anything in our research?
- * Please rearrange these benefits in priority sequence as they pertain to you at this point in time.
- * Would you please rate us on a scale of 1 - 4 on how well we measure up to these expectations.
- * If you weren't going to patronize our business, what would you next best choice be? Don't Tell me who this is, but would you please rank their

performance on each of these listed criteria?

- * Only after the client has filled in his perceptions of the competitor's performance in these key areas, should you ask your last throw-away question: "Oh, by the way, which specific business did you have in mind?" (And, make a mental note!)

Quick to orchestrate and administer, this simple in-house research will reveal critical marketing information for you business. Not only will it alert you to how your customers go about making their buying decisions, but it will also inform you about where you are doing well and where you are falling down, and how you rate against your competitors.

The most critical factor in all this research, however, is your ability to act on the findings and to gear your products and services to meet clients' specific requests.

Put in a nutshell, this is the kind of customer research it takes for an organization to be marketing, rather than product driven.

Note: The above article comprises extracts from marketing seminars held by Dr. Peter Johnson by Successful Salesmanship and Radio 702.

It is the first in a four-part series based on these two seminars which will be serialized over the next three months.

Internationally recognized for his revolutionary insights regarding competitive marketing strategy, Dr. Peter Johnson's extensive career includes positions with companies like IBM, General Electric and Litton Industries in disciplines as diverse as customer service, computer engineering and sales.