

## WHY DO CUSTOMERS WANT TO BUY FROM YOU?

This is the classic question asked as part of any strategic marketing plan in the situation analysis section. Do you have a list of the reasons why customers prefer you versus your competition? In addition to your company, can you list the features and benefits of each product or separate services for your channel partner or the end user? Can you?

Can your sales team? Can your marketing team?

With 2009's economic downfall, the potential (Demand) for your goods and services have retarded. And overall unit improvement is currently not expected to reach 2008 levels for a few years. This put the purchaser in more of a position to control the buying decision than ever before, with an ability to demand more services and/or concessions knowing that more of your competitors are calling on them.

With such a depressed economy, it becomes overwhelmingly clear that you must be able to clearly and concisely recite your attributes to existing and new customers, repeatedly (after all, repetition is what enables people to remember.)

What are you doing to drive home your unique sales proposition (USP)? Is it part of your communications vehicles? Manufacturers, are your ads dedicated to proving your value? Are exclusive product features and services being exploited to the fullest? Or, have you reduced your media and literature budgets to handcuff your message to the customer?

Distributors, are your salespeople selling value or price? Do they know the difference? Are they asking customers questions to identify their needs and then converting your USPs into benefits for the customer? Are you using every available interaction as a marketing opportunity – think from when they first contact you to the invoice you send them.

In almost every case, a list of your customer's requirements for your product or service will include price. Usually it will be near the top in importance to the customer in making a buying decision. Recent studies indicate that price has vaulted to a commanding weighted position in

decision making (contractor research we are currently conducting confirms this – during recessions, price becomes more important). No surprise considering the times. How does your firm handle this position from the customer?

The answer involves two parts:

- 1- Make sure your sales team can clearly state the benefits (not features) of your goods or services to the customer. Also, are they prepared to know your competition and do they know how to sell against them?
- 2- Every, yes every, quotation must include the reasons (attributes) why the customer purchase's from your business. This can be delivery, warranty, quality cleanup, liability protection, payment incentive, etc. By doing so you have clearly stated the total value of your quote. Not just price alone. It establishes the total cost to the customer, not just the cost of the product. Also, this puts you in position to lower your price, if you have competitive feedback, and still generate an acceptable profit, by reducing the attributes you originally listed in the quote. You have established negotiating items which places a higher value to your original quote and the reasons for a reduced offering.

One final thought, when was the last time you compared your attributes to your customers requirements? Could they have changed? Has your competition discovered them? Have you engaged your customers in a non-product selling discussion to learn what is important to them? For many of them, their business has changed over the past year.

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