



Powerful Marketing Minutes
50 Ways to Develop Market Leadership
in the 21st Century

Book Excerpt
Chapter 4

Customers Do Not Buy Products

There are five key customer-driven marketing principles that I consider critical to marketing success today.

The first is that the customer is king. The second is: *customers do not buy products.....they buy solutions.*

Hence, it is important that you and your entire organisation think of your products and services in terms of the solutions they provide to your customers.

For example, a person doesn't need a quarter-inch drill. That person needs a quarter-inch hole made. This hole can be made several different ways, only one of which is using a drill.

By thinking of your products as solutions, you won't get surprised by unexpected competition that emerges from outside your industry.

For instance, there used to be a company that made the best slide rules in the world.

That company is out of business today.....not beaten by the likes of another slide rule company.....but totally defeated by Hewlett-Packard and Texas Instruments as these two electronics giants developed electronic calculators that performed scientific equations faster and more reliably than slide rules.

Likewise, if you were a manufacturer of lawn mowers, you would have to be concerned by the life sciences company Monsanto, which has developed a grass seed that grows grass exactly one inch high. If a customer, such as a golf course or a public park, wants one -inch high grass, the solution they may decide upon could just as easily be the purchase and use of this innovative grass seed from Monsanto, rather than the purchase of lawn mowers and the hiring of crews to cut the grass every month or every fortnight.

When you think of your own products and services as solutions, you'll be in a better strategic position by remembering that your customers are looking for the benefits they get in purchasing, using or consuming your products or services.

Customers buy solutions....not products.

Key Point: *customers look at your products and services as potential solutions to their problems or opportunities. So should you.*

Discussion Topics: *go through your key products and services. What solutions are these providing to your customers? What customer problems are they NOT solving?*

Could you possibly extend your product or service offer to solve these other customer problems, thereby creating additional value-added components to your current products or services?

This Chapter is excerpted from Powerful Marketing Minutes by Steven Howard.

The Author

Steven Howard is a Melbourne-based marketing consultant, author, conference speaker, and Non-Executive Director in both the profit and non-profit fields.

Visit his web site, www.howard-marketing.com for valuable information and links on marketing, customer retention, branding, and corporate image management or to sign up for his free weekly newsletter The Monday Morning Marketing Memo and his marketing blog.

He is a positioning specialist, whose 30-year marketing and sales career in Asia and Australia has covered a wide variety of fields, ranging from consumer electronics to publishing and from a national airline to personal financial products.

He is President of Howard Marketing Services, which provides consultancy and project management services in the areas of Marketing Management, Product Development, Positioning Strategies, Customer Retention Strategies, New Product Launches, Event Management and Brand Management.

He consults on a regular basis to companies in the financial services, industrial products, consumer products, restaurants, petroleum, publishing and hospitality fields.

Contact details

Phone: (61-3) 5428-1388

Fax: (61-3) 5428-1399

E-mail: steven@howard-marketing.com

Website: <http://www.howard-marketing.com>

Blog: <http://www.howard-marketing.com/marketingblog>

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