Marketingheads News

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The Top 100 SME's Claim Service is their Key Differentiator!

The fast and flexible top 100 SME's in Australia were recently surveyed to find out what they thought was their key differentiator.

Overwhelmingly they said "service".

They said:

- Service is a key differentiator and profit builder
- Price is less important when you deliver great service that is relevant.

The great paradox is that Australian companies generally give good service or at least they think they do! What they generally do is simply provide the same service as their competitors, no more, no less.

The reality for many Australian companies competing with Asian companies is that Asian companies generally deliver a low cost and quality product. Interestingly, Asia's CEO's see Australia's high income economy as a way to achieve growth and are targeting Australia. But they have difficulty quickly imitating service standards...

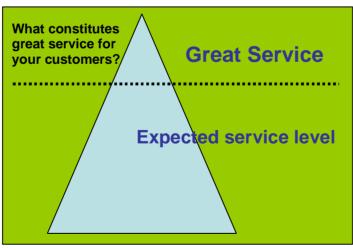
Whilst not all companies compete with our Asian neighbours they do compete in their various markets.

So if Australian businesses are going to succeed they

must clearly communicate their differentiation. They must first understand from their customers perspective what customers value from them relative to what else is available or what is the normal expectation within their market.

Failure to articulate this through a companies positioning, customer service standards and through their communications can only result in an ordinary performance.

The fast and flexible top 100 performing SME's in Australia identified "Service" as their key differentiators so what does this mean.



Understand the difference between great service & what's expected

The first thing we need to understand is what is great

service as apposed to an expected service level. We have recently been told that what constitutes great service for a courier company operating in the North Sydney area is picking up packages within half an hour or less of the phone call for a courier. The time it takes for the actual delivery to be made was less important but had to be achieved as part of the usual expected service level for these customers. So great service was all about how long it took for the pickup to be made.

Understanding this different perspective of customers enables our clients to communicate the values their customers want. We also develop an understanding of the language these customers use to describe what they value and so this is used when we develop communication material for our clients.

So great service isn't just doing it differently to your competitors it has to be relevant and of relative value.

Our success for our clients is the result of developing an understanding of what their customers value and then recommending the strategies that can make a difference in your market.

Marketingheads would be pleased to discuss how we can "delight" you with the results we achieve for our clients...

References: Marketingheads Professional Groups Presentations, 2005 and BRW February, 2005.

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