



Is price your key differentiator?...

Competitors keep winning on price. Your business is constantly under attack from competition.

Your marketing isn't working anymore, "my advertising doesn't work, I have the best products and services and my people are great but why do I need to discount to win the sale? Customers tell us we are too expensive".

Sound familiar?

You are not alone, many businesses we talk to have the same or similar problems. Often the businesses are very good at supplying their high quality products and have expert practitioners delivering their services. So why aren't they obtaining their rightful share of business and why are competitors winning so often and why is price so important?

There's often no single simple solution as its more complex than just running a different ad, cutting costs or hiring different people.

The reality is that the market place is dynamic, nothing stays the same for long and if you haven't understood your market and its dynamics then your product may be considered antiquated or just a commodity. Often the technology and service we buy today is said to be superseded almost the next day.

What we all need to understand is why customers buy from us or don't buy from us. Once you understand these things then you have the chance to do something about it.

Someone once said that "**knowledge is power**". That's all very well but what do you do with the knowledge? We can help understand and develop the knowledge into clever strategies that differentiate your values and deliver real brand power!

One thing we all know is that some companies products and services sell better even though their pricing is above others, but why is this so? Brand power!

We would argue that it's the intangible brand values or the reputation of that company and its brands that differentiates those products and services and that's why they are more successful and customers are prepared to pay more. These differentiators are valued.

These are only some aspects of the psychology of customers selecting one particular product over another. What we can do for our clients is develop a thorough understanding of the market from the customer's perspective and build clever strategic solutions from this knowledge.

Recently we did some work with large public and private businesses that buy and consume large volumes of product and services and found that for one particular organisation they selected new products and

services on the basis of:

Its total cost, including training, software updates, licensing, packaging and waste disposal costs etc. Its compatibility with existing systems, its user friendliness, its acceptance by users, its ability to deliver a better standard or quality, its perceived chance for improvement, a safer alternative and the perceived reputation of the brand or supplier.

Interestingly they were **prepared to pay more if they perceived that they received greater value.**

Not surprisingly 63% of CEO of large firms rate their brand/s as the most important asset their companies have.

Our argument is that if your brand values are diminished or non existent then all you have to trade on is price and price is all your customers get to judge and compare you on.

We can assist in developing or strengthening your brand equity and assist in reducing the impact of price on your business.

Marketingheads (John Wakeling) would be pleased to discuss how they can "delight" you with the results they achieve for their clients...

Call now 02 9869 3314

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