

Annual Competitor & Customer Surveys

How to conduct an in-house market survey:

Have the bookkeeper or receptionist, get a customer list from their files. Sort it to the best of your ability by active, non-active, big accounts, small etc.

Choose about 50 accounts, some from each category. Don't choose large accounts that are too important to the business, or that they may be able to recognize the voice of someone in the business.

Get approval from the owner to "give-away" some thing. Value should be reasonable to the business. Such as a coupon for \$25, or a gift of two dinners at a local restaurant, Prefers giving stuff from the business, either a product, or service.

Now you will practice making a demo call with the person in charge of marketing in the company. You start out as the interviewer, then you do a couple of call yourself, with him/her listening, then he/she does with you listening, then you let him/her do it for an hour at a time, and you touch base every hour to see how it is going along, and to encourage and look at the way it results are shaping up.

Here is the text and instruction for making the calls, they are the same for practice and for the real thing:

NOTE: key "*67" before each phone call, to disallow call recognition.

If you reach a secretary or another gatekeeper, say you are John from the SBO Co, and need to talk to someone who knows about widgets, you need their help.

When you get to the right guy, say "Hi, I'm John Doe (use your real name, at least your first name. For the person from the company, try to use someone who does not answer the phone much, or they can use their middle name. We do not want the customer knowing that this business is calling them. But usually this has never been a problem.), calling for the SBO Co., we're doing an industry survey on (name the industry) the widget industry in your area, I'd like your help, it will only take 2 minutes or so, and I will be happy to send you a coupon (or other gift) worth about (\$10-25, as appropriate) for a local widget business in your area, OK?"

If they say no, say thanks and don't bug them.

Now we're into the interview:

"If I was coming into town, and needed to get widgets, what places come to mind? What's available?"

the person will give you a name or two, keep asking, anyone else?, any more places? until they run dry. As they mention each business, write it down, in the order they were mentioned. DO NOT show you recognize any of them, and DO NOT suggest any names, especially of your client.

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When they are finished and have no more names to tell you, go back to the first name, and say, about ABC Widgets, what are the good points about them? What's good about them?, and write it down, then ask : what are they not so good at? What are their weaker points? Take these down as well.

Then go down the list of names they asked and repeat the same for each.

When you finish with the last name, Say "I don't want to take too much time, so just one more question" "What would your advice be to a new Widget Business moving into town?" Take it down, then say thank you, and ask if they want to receive the free coupon or gift, than you can now take down their name and address, and mail it to them. DO NOT show you already know anything about them, such as name, or address. If they ever ask you how you got to them, say the you have no idea, the research dept. gave you a list of numbers in the area.

The person in the clients business can continue doing this survey once or twice a year, using the line "working for the May Co." or "under the supervision of the May Co.", and since this was devised by the May co, and it continues to monitor it, this is not untrue.

Now for analyzing the results.

If we tabulate the results for 30-50 completed calls, we will get a picture of what the customers want. The "good" points of each business, are what they are looking for. The "Weak" points, are what bugs them. The order of the names of Widget businesses denotes the "Share of Mind" that each of the widget competitors hold in the customers mind. If we take this together with our clients guestimate on their market share, you have a pretty good info for charting the competitors on a positioning graphs, and seeing what kind of competition we are against. The last question, about what you advice would be to a new business, usually gives you the best description of what the customer wants, his hot button. Here is a shortened overview of the next steps (you will need more than this handout to get this done).

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The next steps are to plot a Positioning Graph,

Then to decide on our chosen target market, based on what we want to go after, where

We can fight the competition successfully, and on our innate strengths. This can be done in one sitting, by picking the brain of your client, who knows the market.

Competitive Positioning Strategy – Your USP

Then it is time to set a USP, unique selling proposition, the hot button of your target market, stated in a way that differentiates you from the competition.

Examples: We Sell For Less (Wal-Mart) they are serious about the Less. Ruthless about it. And they have given up on saying we are the best quality, variety, or service. You need to give up on a lot of claims, if you want to be the best in your chosen market segment. So Wal-Mart chose to go for the low cost market, and give up on hi-end etc.

Examples of an Engineered Marketing Message with Benefits targeted by Market Segment

Domino Pizza: “Thirty minutes or its free”

Here they gave up on gourmet, or low cost, and emphasized speed of delivery.

George S. May – “We’re one of the largest management consulting firms in the world, working primarily with small to medium sized business....”

Not the biggest, not the oldest, just the biggest fish in the “small” pond of small family owned businesses....

By defining a market segment properly, one can always set up a strategy to be the leader in that segment. However this is not just wordplay, it has to be backed by the way the business actually operates and how it does business.

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