



**CUSTOMER  
MANUFACTURING  
GROUP**

If preparing for your future market position isn't based on what your customers are already doing about theirs, what third world market are you targeting?

# MARKET POSITION SURVEYS

## Your Customer & Your Market

Let's be clear about one thing: you sell to customers and not a market, although we often talk about what the "market" demands. No such "market" anywhere ever wrote out a check for anything. We all understand that a market is the composite of a group or class of customers having a common description of what they do and a common need for a product/service or type of product/service that helps them do it. You can't ask the market what your position with it is, but you can ask the individual companies comprising this market what your position with them is.

Some of this market assessment can be quantitative; that is, individual quantitative responses which can be statistically tabulated into some symbolic mathematical distribution of how the market sees you; X percent said this, Y percent said that, for example.

This type of evaluation does have its

But even in this scenario, what does this tell you about what your individual prospects and customer will want, and will buy, in the future, from you?

In smaller markets, what would the few leading prospects . . . and your key customers . . . like to see from you? What position do you occupy in the minds of the users? The need for this type of information – not to be confused with data – is even more critical if you're selling, or plan to sell, a non-commodity product/service, perhaps even a custom or semi-tailored product. A macro analysis of trends in your customers' industry and . . . if they're not the ultimate end user . . . of trends in their customers' business, can yield valuable insight. At the least this can help keep you from being whipsawed by "surprises" you should've seen coming. However, "micro analysis" keeps your doors open and tells you where you need to be in the customers' minds.

**The President and CEO of a technology company in Maryland has this to say about the value her company received from a Market Position Survey:**

*"The marketing positioning study that CMG performed for us was money well spent. They were able to get information out of our customers, potential customers, and 'lost' opportunities that we would never have been able to solicit ourselves. It has provided us a better understanding of how we are perceived in the marketplace and has allowed us to focus our marketing on what differentiates us as obtained directly from our customers. It also provided the unexpected benefit of uncovering a business opportunity that had not been previously identified.*

*I would recommend this study to anyone that needs to fine tune their marketing message or approach."*

place when you're dealing with very large "markets" where "means" (averages) and sigma distributions can provide both center shot and rim shot targets, particularly for "commodity" type products. On the "average," the market wants . . .

Certainly, macro assessments can, and should, be made from micro-analyses, but in most cases your customers define the market they're in, and what they will buy from you, or won't, customer-by-customer. Balancing out this need for, and the value of, both macro and

micro evaluation is a challenging and solvable issue. The Customer Manufacturing Group starts with your prospect or customer – the folks who may eventually sign the checks or who are already doing so.

### Your Customer is Your Future

Better Solution Development or Customer Development – which of these has the best potential for providing real growth leverage for your company? Selling what you have available today falls to the bottom line on this year's income statement but does not guarantee future success.

Customer satisfaction measurements can determine the legitimacy and credibility of your current product or service offering. Variable components of your quality, post sales service, responsiveness, communications, ease of doing business, and comparison of these with your competition can be qualitatively and quantitatively determined through a variety of means, including satisfaction surveys. A survey which focuses on your current performance can indeed be a powerful tool for identifying

on that radically different path, your successful journey to “tomorrowland” depends on the position you currently occupy in your customers' minds.

Your reputation not only precedes you, it also determines either the ease or difficulty of your progress. Of course, if your strategy is simply “more of the same to the same,” instead of reaching out to pull yourself ahead to the future you'll simply be waiting for it to arrive . . . and you'll have to settle for whatever arrives with it.

### Market Position and Customer Satisfaction

Although an effective customer satisfaction survey must include some assessment of your customers' attitudes toward your company overall, its main focus will be on the product/service you currently provide. Market Position Surveys, on the other hand, take your current position and presence and project it “down the road” to see how well you might fit in some future period. In querying a client's customer in one such survey, we were told that although a competitor had an excellent product, this customer

#### **The President of an apparel manufacturer in Colorado cites his satisfaction with the Market Position Survey:**

*"The effectiveness of the work CMG provided our company centered on their ability to gain a solid understanding of our industry in a relatively short period of time. I was definitely pleased with the level of knowledge CMG gained relative to our position in the marketplace. They effectively utilized this knowledge to formulate a series of recommendations that were meaningful and appropriate to our situation. Our goal in hiring the services of CMG was to help us figure out how to leverage our position in the marketplace more effectively to support an increase in gross sales. I believe the work product, and the associated recommendations, will firmly support this desired outcome. I was very pleased with the quality and effectiveness of the consulting work provided by CMG. In short, CMG delivered a finished product with strong value."*

where you stand in your customers' opinions. It facilitates tactical course corrections or confirms that you are on the right track.

Your future, by definition, connotes a place where you have yet to arrive and possibly things you haven't done before (as opposed to simply more of the same). Your customers' future determines yours; wouldn't it be crucial to know if you're going to be included?

A market position – and the positioning activity required to place you there – is your current base for future operations, unless you're planning something really radical. How you got “here” has a varying degree of relevancy for how you plan to get “there,” depending on the new destination. But unless you are embarking

didn't like the competitor's business practices, didn't trust them, and wouldn't do business with them in the future. This is an outstanding example of poor positioning on the competitor's part.

Our Market Position Surveys essentially ask your customers to tell us how they perceive you in the larger marketplace. We don't cover a statistically valid sample of your total available market (which might very well be global), or necessarily even a mathematically correct model of your current customer base. Instead, we focus on a quality based representation of your known world by contacting a selected number of the people who know you best; each customer, one at a time, qualitatively.

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## You Must Know Your "What's"

In any commercial relationship there are three levels of *What* to be considered:

- *What #1* is what you are selling (or believe you are). This is a description of your products/services and covers what you produce, its attributes, and what is not included.
- *What #2* is what your customers are really buying (including and in addition to the product itself). Knowing this is crucial to understanding the value that your customers expect: it determines your price strategy, promotional activities, sales strategy, branding, and other aspects of your positioning. Further, it defines where your products fit vis à vis competitive offerings.
- *What #3* is what your customers are buying from you that they cannot get elsewhere. Knowing this is the ultimate goal of your customer relations. This is their perception of your (perhaps) unique value proposition; it is why they select your offering over a competitive solution that may be priced less, have different features and benefits, or otherwise a different value package.

Our Market Position Surveys concentrate primarily on *Whats #2* and *#3*. Sometimes in the process of inviting your

together in a manner that provides you a real world indication of where you had better be going with your *What*.

Our Market Position Surveys don't provide crunched numbers and statistical analyses. Instead, we provide you with evaluations of what your customers personally tell us when we afford them the opportunity to think outside the box that currently delineates your mutual relationship. These evaluations are made by experienced marketing and management experts and not by statisticians using inside the box algorithms.

Our recommendations which accompany these evaluations are in the context of the information you need in order to secure your current market position or to chart a new course to become properly positioned in your customers' minds.

### More Information

If you would like more information on our Market Position Surveys or how to apply a process to improve your marketing/sales function, simply contact us and we'd be happy to help you get started. From sweeping marketing/sales management process strategies to specific branding or product launch services, Customer Manufacturing Group can help.

Detailed information on our services and a number of Special Reports and cassette tapes are also available.

**The Chairman and CEO of a technology consulting company in North Carolina expresses the continuing value of the Market Position Survey to his company:**

*"With the Market Position Survey that CMG did for us, they were able to obtain unfiltered and candid opinions about how our customers and prospects viewed the quality and value of our services as well as how they mentally position us in their industry. The Survey continues to provide valuable insight into what our customers regarded as our strengths and weaknesses, and highlighted both service expansion and growth opportunities to further enhance our market positioning. The Survey is a valuable part of our on-going research and customer contact activities."*

customers to tell us how they perceive your *What's* we find out a lot more about their *Who*. That is, *Who* they are as the foundation for *What* they want from you.

We will ask a lot of "whats," we will listen, and then ask a few well-placed "whys," as in for example, "What do you think (ABC Company) needs to do in order to garner a larger portion of your business in the next two-to-five years?" then, "Why?" This will give us an indication of current position, demand shift, and direction and rate of change. We put these individual responses

If you'd like to learn more about Customer Manufacturing Group, or for a complimentary subscription to Customer Manufacturing Updates, give us a call at (800) 947-0140, fax us at (408) 727-3949, visit our website at [www.customermanufacturing.com](http://www.customermanufacturing.com), or e-mail us at [info@customermfmg.com](mailto:info@customermfmg.com).

We have offices in major cities in the United States, and our experts travel extensively throughout the world. If you'd like to schedule a meeting when we're in your area, just let us know.

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