

# Know what business you are in



Don't assume people or customers know what business you are in or what they can buy from you.

No matter what business sector you operate in, there is always competition, an alternative product or service to deny you of that sale. Therefore knowing what business you are in and who your target market is, is fundamental.

With the advent of the internet and advancement of technology, if you stand still in business there is no long term protection or advantage even offering niche product and services. These can be copied by your competition and new entrants who can move swiftly into the marketplace and often undercut you on price. So how do you stay ahead and not get caught up in that whole, survival and pricing dilemma?

1. One way to stay ahead of the competition is to fully understand what business you are in. By that I mean understand not just what you sell but why your customer buys. Take a look at your business product and services from the customer's value and from their perspective.

Black and Decker (now Stanley Black and Decker) based in the USA are the world's leading tool maker, however back in the 90's they transformed their business when they stopped selling power drills and started selling "the ability to put a hole in the wall, safely with ease and precision", i.e. selling from the customer's perspective.

Harley Davidson, the iconic motor cycle brand, CEO famously said "we are not an auto brand but a lifestyle brand" and "it's not about getting from A – B, it's about living life the way you choose". Harley sell a lifestyle image, freedom, and belonging (to their chapters). The directors, managers and key employees spend time accompanying biking groups and chapters going out for chapter rides and to gatherings to share "the epic experience". Harley make a respectable 21% operating margin before taxes and also sell an enormous amount (\$280 million) of branded merchandise worldwide which contributes to their businesses bottom line.

Closer to home, last year I heard Sally Fielding from Sally's Cottages passing on her top business tips and a key turning point was when Sally realised "they weren't in the holiday cottage letting industry but in the business of selling dreams" This change of context transformed the business, just take a look at their social media feeds on Facebook and Twitter to see how Sally's Cottages markets itself to their existing and potential clients and also the amount of followers they have built up along with all the recognition ultimately creating a strong brand.

So what business are you in? If you need a little help and assistance or to better understand, then over your next coffee/tea break just have a look at these two well-known web video links:

[Theodore Levitt's "Marketing Myopia" explainer.](#)

[Simon Sinek, the Why?](#)

2. Once you know what business you are in, the next key task is to understand and be clear about who your target audience is. One way to do this is to step back from the business and imagine your ideal customer or business owner by creating a persona or an avatar! What's their age, gender, social group, what network and clubs do they attend to meet their associates? What are their interests, hobbies, where do they live, go on holiday, where do they shop, go out to eat, what do they read, watch on TV or listen to, what social media apps do they use. The more information and clarity you have on your ideal client's characteristics plus understanding of the number or the population within a location, regional, nationally the better.

Based on these exercises, you should create an action plan and a targeted marketing campaign. Note; It can take between 8-15 marketing touches to create a valid sales enquiry from a cold contact. So ensure you don't give up and be consistent with your marketing message "the why" and sales activities.

*"Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time." - Thomas Edison*

If you are looking to review and then grow your business, Business Doctors Cumbria offers an initial free business [health check](#) and can help you to establish a clear vision, to start working on the steps to fulfil your aspirations.

For further information please contact [Peter Fleming](#) 0845 163 1490 or 07966 686112

### **Next Free business event!**

How to obtain "Freedom" from your business

Wednesday 13th July – Carlisle Golf Club, 12 noon – 2.00pm

Contact [Peter Fleming](#) for more information