

# Six Secrets Of Market Domination

A guide for your business



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February 2008

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### ABOUT THE AUTHOR

Ed Erickson has been working with Fortune 500 companies, entrepreneurial start-ups, and advertising agencies for more than a decade. Ed has designed and implemented literally thousands of strategic marketing research programs in both consumer and business markets.

Ed possesses a deep understanding of strategic marketing issues and a solid mastery of research methodologies. Ed's work has helped his clients launch brands, outmaneuver competitors, deliver exactly what customers need, and seize opportunities.

He has been an invited speaker on marketing and research methods at events of the American Marketing Association, the Market Research Association, the European Society for Opinion and Marketing Research, and others.

Ed is the head coach of the Thrive Strategy Master Groups. In these groups, Ed coaches small business owners to new levels of business success through the smart implementation of proven marketing strategies. More information is available about Thrive Strategy Master Groups at [www.thrivestrategy.com](http://www.thrivestrategy.com).

### DOMINATE YOUR MARKET

#### **Imagine the scene.**

Customers lined up around the block, some of whom drove for hours, to pay top dollar to buy from this place.

The owner feels guilty. It all seems too easy – almost like she's doing her customers a favor by selling to them. She's living the dream she had when she first had the notion to start a business.

Just down the street, there's a competitor's store. It's empty. The owner looks as if the weight of the world is resting squarely on his head.

Why has one been so successful, while the other is failing? After all, they're a lot alike. Similar age, similar background, they buy their products from many of the same manufacturers...

#### **It all comes down to understanding.**

Our first business owner understands how her customers think. That gives her the knowledge she needs to offer exactly the right product, to exactly the right people, at exactly the right price.

How is she rewarded for this understanding?

More business than she knows what to do with.

The second owner? Well, he doesn't understand how his customers think. He writes ads that **he** thinks are clever, he solves problems **he** thinks the customers have. Too bad he missed the mark.

His reward? Customers ignore him.

**The simple fact is this.**

The lifeblood of every business is its customers. Without them, there is no revenue, and without revenue, there is no business.

The key to making sure that your customers keep coming back and spending money is, on its face, simple:

**Give them what they want, when they want it, on terms that they can accept.**

Do that well and you will dominate your market.

HOW?

The big question, of course, is, "how do I do that?"

The answer – by understanding how your customers think and why they do the things they do.

I have spent well over a decade probing the thoughts, feelings, and preferences of consumers in the U.S. and in many other countries around the world. Over the years, clients have paid millions of dollars for me to tell them exactly what is going on the customer's mind.

After hundreds of projects in dozens of markets, some patterns became clear. I've learned what a company needs to know about its customers to be successful. I've seen over and over again that a

key set of questions, if asked and answered correctly, are truly the secret to great success.

This eBook is my offering to you – the small business owner.

On the following pages, I will reveal the secrets to dominating your market. By asking and answering the questions I pose, **you will get** inside your customer's head. **You will know** what they want and how to deliver it before they do. People will drive for hours, passing up dozens of competitors, to buy from you.

Why?

**Because you get it.**

A WARNING

If you are expecting this eBook to magically solve your problems and hand the answers to you on a silver platter – you will be disappointed.

The tips and tools I reveal here are powerful indeed, but you need to supply the other key ingredient – **the willingness to take action**. These are simply words on a page, they don't gain the power to build your business and change your life until you take them and put them to work in your business. It won't always be fast or easy, but diligent effort will pay huge rewards.

### THE SIX SECRETS

So, what are these secrets to business success? Surely, they must be mysterious and complex to have such power to build your business.

Well, yes, they have the power, but they are not mysterious or complex. The six secrets are six questions you need to ask and answer about your customers.

Think back to those grade-school English classes. You were taught to research and write by focusing on who, what, where, when, and how.

Welcome back to grade school.

I'm about to take you through the process of asking those fundamental who, what, where, when, why, and how questions about your business. I'll explain what you need to ask, and what the answers can do for your business. Then, I'll give you some tools and tips about how to go about asking the questions and putting the answers to work.

Ready?

Great! Let's get started.

The secret to dominating your market is asking the following six questions.

- **Who** do customers currently buy the products<sup>1</sup> you offer from?
- **What** do customers think about you?
- **Where** do customers look for your product?
- **When** do customers need your product?
- **Why** do they choose their preferred supplier of the products and services you offer?
- **How** do they use your products or services?

I can hear you now.

“Wait a minute, buddy.”

“You promised me secrets to success. Now you’re giving me basic questions I learned in grade school?!”

Yes. I am.

It is said that Vince Lombardi, perhaps the best coach in the history of professional football, started pre-season training every year the same way. He held up a football and started his lecture with the words, “Gentlemen, this is a football.”

His relentless focus on the fundamentals is what made his teams great.

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<sup>1</sup> Throughout this book, we use the term products to refer to products or services.

**Your relentless focus on the fundamentals of marketing will make you great.**

The answers to these questions will give you a wealth of knowledge about your customers, your business, and your competitors.

What's more, the answers to these questions will lay the foundation for additional inquiries that will lead to even greater insight into the mind of your customer.

It is a fundamental responsibility as a business owner to figure out what motivates your customers to buy, or not buy, your products – and then act on what you learn.

“But I’m a small business. I can’t afford expensive research consultants to do big, complicated projects,” you say?

Not to worry, because you can gain the understanding you need by methodically observing and regularly talking to your customers.

You can (and many big companies do) spend a lot of money on consultants to do this for you. Or, you can set up some fairly simple procedures that can be incorporated into the interactions you already have with customers to get the information you need.

Does that mean research consultants are a waste of money? No. These professionals have important technical skills and a wealth of experience to bring to your business. By using these skilled resources strategically, you can maximize the value of your investment in understanding your customers.

By the time you’ve finished this book, you will understand what you need to learn from your customers and how you can use the information you learn to improve your business.

As you read through each of the questions, you need to keep in mind that they do not follow a linear progression. All of the

questions are interrelated, and must be taken as a whole to fully understand your customer.

### WHO DO CUSTOMERS CURRENTLY BUY FROM?

Unless you sell most of your products in developing economies or sell one of a fairly small number of specialized products, it is unlikely that you spend a lot of time selling to people who are new to the market. This means that your current and prospective customers are probably already buying your product from someone.

The good news is that these customers have already decided that they need or want the product, and so don't need to be educated about the benefits of the product. The bad news is that you need to be able to clearly and convincingly describe how your version of the product better meets their needs than anyone else's version, which is harder work than simply showing people that they have a need.

By understanding who customers are currently buying from, you will gain two important insights into your market:

1. You will understand who your competitors are
2. You will understand how customers allocate their spending for your product

Knowledge of your competitors is a fundamental piece of information that every business needs to have. If you don't know who you are competing against, you will never be able to explain to customers why you are better or different. If you can't explain how your product better meets the customers' needs, you will have great difficulty selling it.

Once you know who your competitors are, you will be able to study their products and identify the ways that you are different or

better. Only then will you have the ammunition to articulate how your product is different to customers.

Understanding how customers allocate their spending among the companies that sell your product gives you several important pieces of information about how customers think and behave.

First, you will have a solid metric of how you stack up against your competitors. Second, you will begin to see how customers interact with the companies they buy from.

Are they 100% loyal to a single company or do they split their purchases among several companies? The answer to this question gives you important direction in developing your marketing strategy.

Finally, by looking at how different groups of your customers behave, you will be able to identify the particular groups of customers who are most valuable to you and who may be the most willing to try your products.

Tracking this information over time can become an indicator of how the business is doing. It can alert you to competitors encroaching on your business, to trends in your customers' business that could be an early warning to bigger trouble down the road, or spark an idea for a new product to meet developing needs.

Also, downward trends in your company's share can alert you to a service or product issue that made the customer unhappy, and provide an opportunity for you to rectify the situation.

### WHAT DO YOUR CUSTOMERS THINK ABOUT YOU?

It is absolutely critical to understand what your customers think about you. The simple act of asking, if done in a sincere way, will make the customers feel better about doing business with you because you took the time to ask about their opinion.

Knowing what your customers think about your company gives you two important insights:

- How well you are delivering your product to customers
- Customer-centric language to describe what you do well

Asking on a regular basis will also ensure that you have the opportunity to correct operational or product problems on the spot. The worst thing that can happen is that the customer is left unhappy about their dealings with you and was not provided with any opportunity to communicate their dissatisfaction.

Often cited studies have shown that, even if unhappy customers don't say anything to you, they will say something to many of their friends and family, leaving you with a soured relationship with a customer and a bad reputation among dozens, if not hundreds, of others.

In the current world of instant online communication and blogs, a dissatisfied customer could easily tell millions of people how much they don't like your company.

You will also want to get customers to tell you what they think of when they think about your company. Is your company “easy to do business with” or “reliable” or is it “premium quality” or “fast and cheap”?

By asking customers to describe your company – what they love, what they hate, and how they view you – you will gain a wealth of knowledge about how customers think about the company.

This knowledge is important to guide your marketing efforts. First, it gives customer-centric language to communicate the benefits of buying from your company for use in your marketing. I really can't overstate the importance of speaking to customers in their own language.

Second, it helps you to evaluate changes or additions to your products. For example, it would be very difficult to try to introduce a premium priced product if your customers see you as a low-cost provider.

### WHERE DO CUSTOMERS LOOK FOR YOUR PRODUCTS?

Knowing where customers look for your products applies to two parts of the purchase process. First, where do customers look for information about who sells the products they seek? Second, where do customers expect your products to be available? It is critical to understand both to ensure that you are in the right place at the right time as often as possible.

Understanding how customers find you provides important information about which advertising and lead development channels are effective. By consistently tracking where your customers found out about you, you can track the return on your advertising investment and, over time, be able to focus your spending on channels that provide the greatest return.

When they search online – and they almost always start online – even if they end up buying offline, are they going to find you? No matter what your business, if you don't know how to use the Internet to market yourself, you're in trouble.

If you are a local business, you need to make sure you appear in local searches. Get yourself listed on [Google Maps](#); get your customers to review you in [Yelp](#) or [Citysearch](#).

Is your business national or global? You need to know how customers search.

There are a number of keyword tools available that can help you do this. Goggle and Yahoo! Paid search each have free tools available to advertisers – you're using pay-per-click advertising, right?

There are also several paid subscription services, including [Wordtracker](#) and [Keyword Discovery](#). If you rely heavily on search marketing, paid tools like these are a necessity.

You also need to know where customers expect to find your products. If you sell through others who ultimately sell your product to the end-customer, this information will help you strategically target the outlets where you maximize the potential success of your products. If you sell directly, this knowledge will help you to choose the best possible locations for a physical store or office.

The location that customers expect to find your products is not limited to the physical world. By understanding if and to what extent your customers expect to be able to buy your products online, over the phone, or by mail, you will be able to set up the proper infrastructure to meet that expectation.

### WHEN DO CUSTOMERS NEED YOUR PRODUCT?

Is there a particular time when your product is needed? What are the events that trigger a need for your product?

By understanding when your product is needed, you will be better able to identify prospective customers and make sure that they are available at exactly the point the customer is most likely to buy.

Being able to find and recognize patterns of behavior leading to purchase or the types of customers who tend to buy better than or sooner than your competitors can be the difference between a wildly successful business and being out of business.

For some products, the specific triggers for purchase will be obvious. For others, you will need to observe and look for patterns in customers' circumstances.

In most cases, there will be some fairly clear, basic trigger for your product or other products that fill a similar need, but the

circumstances that lead customers to your particular solution are less obvious. For example, buying food is usually triggered by hunger.

Well, duh, but what leads the customer to choose whether they will go to a grocery store, a fast food restaurant, or a fancy restaurant? This is where you will need to dig a little deeper.

To be able to identify patterns beyond the obvious, you will need to understand what is going on the lives or businesses of your customers when they purchase from you. You will be able to ask about many potential triggers, but will need to observe your customer's situation to identify more sensitive areas they may not want to divulge.

Whether you are asking the customer or observing the situation, your task is to uncover two pieces of information:

- What does the customer look like now?
- What events have occurred recently or are expected to occur in the near future?

When you put this data together with records of sales to your customers, you will start to see patterns in who buys or doesn't buy, who starts to buy more or to buy less, etc.

When you understand what the people who are buying from you look like, you understand who you are looking for to be your next customers. You can use this knowledge to be in the right place at the right time to provide a product to someone who might just be realizing that they need it.

When we talk about a profile of the customer, we are looking for a description that you can use to spot the next prospect. If you sell to consumers, this could be demographic information like age, gender, or marital status, or things like whether they have children

or drive certain types of vehicles. If you sell to businesses, the profile could be information about the company size, industry, how many different facilities they have, etc.

The specific information that is useful to you will vary according to what you are selling, but the key is that it needs to be something concrete that can be observed or easily provided by the customer.

Events in the life of a consumer or business are often a big driver of need. If a customer is having a child, they are suddenly a prime prospect for baby clothes, cribs, and a host of other items.

Someone moving into a new home will likely be open to changing phone companies, Internet Service Providers, and other services. They will also likely be in the market for new furniture.

Growing businesses are likely to be searching for additional support services.

Understanding the events in the lives of customers that drive a need or desire for your products helps you to customize or add to what you offer so that your products are the perfect fit with the customers need at that moment.

Knowing what events are related to the need for your product also lets you craft the perfect message to the customer and to be in the right place at the right time to make the sale.

### WHY DO THEY CHOOSE THEIR PREFERRED SUPPLIER OF YOUR PRODUCT?

Understanding why customers choose one supplier over another will help you understand what about your product is important to them. It will also help you understand how to talk about your product in a way that highlights how it meets the customer's most important criteria.

To learn why one particular brand is selected, you need to find out two things:

1. What attributes and benefits of the product are most highly valued by the customer
2. How does the customer perceive the various providers' ability to deliver the important attributes and benefits

Once you understand these two things, you will have developed important insights into the customers' mind and into how your competitors are positioned in the market.

What we are doing here is mapping our (and our competitor's) brand positioning. Brand positioning is just marketing-consultant speak for knowing how the market views your business individually and in relation to other companies providing similar products.

You should be looking for two things:

1. How well does what you believe about your business match up with what the market thinks?
2. What specific areas do customers see you as different and/or better than everyone else?

When asking customers what is important to them, you want to be sure to cover all aspects of the customer's experience buying and using the product. The exact list of items to ask about will depend on your particular product, so you'll need to think about what all of the possible attributes and benefits of the product could be, as well as all of the customer touch points along the way.

The following list of questions shows some universal items to consider asking about, in addition to attributes and benefits specific to your product.

- Was your store easy to find and get to, whether bricks-and-mortar or online?
- Were the sales people helpful and knowledgeable? Were they polite and respectful?
- Was the sales process easy?
- Was the product delivered promptly, or at least when it was promised?
- Did the price represent a good value?
- Is the product seen as being of high-quality?
- Is the product easy to use?
- Is the product durable?

In order to answer both of the key questions mentioned above, you'll want to use the list of attributes and benefits in two ways. First to ask how important the various items were to the purchase decision, and second how well the customer believes you and your competitors deliver the attributes and benefits.

As you compare how well your company performs on the attributes and benefits to how important they are, you will quickly see what aspects of your product or its delivery need improvement and what areas are working well.

By comparing your performance to your competitor's performance, you will be able to identify areas where you perform better. These will be things to talk about in your advertising in order to differentiate your products.

You will also see areas where customers think your competitors do a better job of meeting their needs. These could be areas where you need to improve, or it may make sense for you not to try to

compete using these attributes, depending on your specific situation.

Finally, you will find things that are important to customers but where neither you nor your competitors perform well. This is an opportunity to fill an unmet need in the market, either through a new product or by making changes to your product or sales process.

### HOW DO CUSTOMERS USE YOUR PRODUCT?

How customers use your product in the real-world can provide you with important information about the quality of your product or illustrate unmet needs begging to be addressed. People can be creative in adapting existing products to meet different needs or find ways to modify what they buy to work better. People will do this either because they don't know about an existing product on the market that meets their need or what is available is not desirable due to cost, availability, or other factors.

The key thing to remember is that you should not assume that you know exactly how your product is used by customers. To the extent that your products are used in unexpected ways, you will gain ideas to suggest to other customers or develop new products to better meet the customer's need.

Ask, or better, observe, how your clients use the product. Do they use it to accomplish a goal other than its intended purpose? Do they modify it in some way to better accomplish a task?

When you find these situations, you have just found one of two things:

- The idea for your next product
- Important information about a problem with your product

### BRINGING IT ALL TOGETHER

This book has provided a lot of food for thought as you seek to better understand your current and potential customers.

Remember, developing a robust picture of your customers is not a linear process, each of the six areas are interrelated and must be taken as a whole.

Hopefully, as you read this article, you saw many of the things that you already do. If not, its never too late to start, and the sooner you get to know your customers, the sooner you can begin to benefit from the business success this knowledge can bring.

In most cases, the ideas presented here can be incorporated into existing business processes, so that there is little or no cost to obtain the information. In others, some simple additional steps can yield the information.

Getting to know your customers better doesn't need to be a complex or costly exercise. In fact, what could be very costly is *not* getting to know your customers.

### NOW WHAT?

Congratulations on making to the end. We've covered quite a bit of material over the preceding 16 pages.

I hope your mind is racing with ideas to implement what you've learned. I know it might all seem a little overwhelming.

**Stop.**

Take a deep breath. Relax.

You don't have to – and you can't – do it all today. Putting these secrets to work in your business is a journey, and every journey starts with a single step. Commit to taking just one step in advancing your understanding of your customers every day. Before you know it, you will have travelled miles down the road.