

Marketing = Magic formula?

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Many marketing experts may say "yes", however, for me marketing (in this context - for investment-goods and long-lasting consumer goods) is simply the result of persistent dealing with the markets/partial markets, which are supplied by the respective enterprise with its products.

One of the most attractive regions of the world surely is Europe – with its 480+ million inhabitants, especially also Germany with its 80+ million thereof.

Insofar it is the 'world market' pure and simple (due to market sizes, buying volume, number of inhabitants, etc.). And it becomes for very many entrepreneurs more and more essential (= their survival) to get into/stay in foreign markets – but, of course, very thoughtful.

Concentrating on the home markets only will 'restrict' – especially SMEs – to their 'limited' market places back home. Even if these are huge markets like e. G: USA.

Nowadays the sharp price competition needs companies/owners who strive to be ahead of their respective markets segments – not necessarily with regard to pricing but surely with regard to competitive advantages/customer 'benefits'. (The marketing guru Prof. Kotler even argues a bit tougher: „We should get out of markets where we can't be the first ...".)

If we do not concentrate on the clients' needs and sell 'our fingerprint' (plus whatever such clients ask for !) which is always different even from the toughest competition, as well companies from Europe as from other parts of the world (especially SMEs - who still stand for the majority of a countries' GDP) would only have a shadowy existence, which - due to their number of inventions and technical solutions - would not be justified.

On the contrary they should open themselves for new foreign markets and/or find foreign collaborators in order to broaden their market existence/shares.

Hereafter I touch therefore only four aspects - which in no case, however, cover the whole field of marketing of a specific company - which can give the entrepreneurs some idea though how to 'better place the enterprise' in the markets and by this initiate a better present and long-lasting 'starting position'.

We are on a 'buyers' market', where it is important to have a detailed view and perspective for the own enterprise and the

products produced - especially as the recession seems to be over soon and the economical development is seen 'quite bright' by the various institutions.

So, what can be done by an individual company - now ?

- I. Analysis

In my eyes that is the necessary starting position in general.

It has to be found out how the enterprise - with its present products - is accepted in the market place, where it is less successful than the competition, where the positive points are to be found (price, delivery - logistics timing -, quality, service, etc.) or simply:

"How the company for the time being is represented to its clientele and how it is valued"

Parameters for this situation are the own selling results, the profit-situation for all products, the total production/import/export statistics of such products in the area looked at, the buying structure, the advertisements/sales promotion done, etc.

Such an analysis should - normally - be executed by somebody not belonging to the company as then procedures followed so far are questioned, which may be existing without real reasons and/or new selling ideas can be elaborated/ added which are available due to the experience from other industrial fields - and being a consultant even from other companies where similar proposals reached good results.

- II. Targeting

The analysis has to be followed by a segmentation of the markets which are supplied by the company.

This segmentation has to lead to the question whether the company already supplies its clients on the best possible ways in order to really reach all segments in a way as accepted by the respective clientele and in the best possible manner, avoiding any unnecessary frictions.

- Possible catchwords are

- - core abilities -

Due to the multitude of different suppliers who all deal with various technological solutions but with just one problem (e. g. the IT-market, the automotive industrys, etc.) it is extremely important that a company finds/defines its 'core abilities' (the 'fingerprint' as said above) which are available - in this combination - only with them and that it concentrates on it and 'markets'/cares for them. Only in this case a kind of 'sole selling position' can be developed which in-turn leads to a sharper profile in the 'market places'.

Now, many people may say that this is not relevant/true for them, but my experience says that it is - in many cases - just a matter of creative justification and formulation to reach such a target of 'sole position'.

- - research -

of the total quantity of prospective clients per segment/market locally and/or foreign, in order to define implement the strategic/ operational targets and control mechanisms in order to verify the results compared to the targets

- - sales routes multiplication -

i. e. that we have to find out if and when it may be advisable to sell our products (perhaps slightly changed in form/colour/packing and/or execution) to the different market segments following different sales routes

- III. Definition/implementation

- of procedures for the various market segments with a view to the various foreign markets/representatives/distributors, etc.

The results of these examinations has to be part of the overall 'company planning procedure' like the financial aspects, the sales organisation (> marketing plan) and all relevant costing procedures.

Especially the last aspect is one of the most important, as the costing procedure (starting with the optimal purchasing (even

world-wide depending on the use of raw-/ready materials), the logistics needed, the suitable way of production (not to mention 'lean-procedures', the quality aspects, stock-keeping with the distributors, customer service, advertisement/sales promotion, etc.) will still be the finally deciding point for the pricing and this - provided all the rest is the same for different suppliers - will be decisive for the buying decision of our clients.

- Advertising/public relation

has to include nowadays an INTERNET-presence. That means, however, not only to have a site in the NET but also to publish it with relevant associations, client groups, etc., i. e. to 'market' it as a conventional means also but, if we want to be really successful it has – first and foremost - to be made-up in a way to lead the 'searcher' directly to HIS solution/the solution to HIS problem, i. e. following also strictly marketing procedures as necessary for the respective product/market segment.

- IV. Control and correction

This step belongs to the ones mentioned before like the baby to its mother as only if it is controlled if/how the targets have been reached a correction will be possible and only then we will 'answer the markets' to our best.

This refers to the sales routes as well as to the 'market presentation' via representatives, advertisements, fairs/exhibitions, pricing, customer service, etc.

And it is as well understandable as logic that these parameters differ from market segment to market segment, from country to country, and I can say from my practical experience that in most cases the results from a deviation of the targets in one market/market segment not only have a real influence on the internal decisions (referring to production, organisation, finance, etc.) but also gives perfect hints in order to correct and define new marketing ways for the rest of the segments/ markets, which again leads to an increase of sales and a more positive view of the future.

As stated in the very beginning it is not the aim of this article to present final solutions for everybody.

This is absolutely impossible as one company differs from the other nearly totally (even when producing the same final product) and only the detailed individual study gives answers to this - which then again leads to a more positive development of the enterprise.

However, the steps mentioned before - perhaps partly adjusted by further steps, like out-sourcing of different internal procedures, targeted customer service like key-accounting, special service offers to a few good customers/ products, etc. - can be used in general by all companies and as such lead to an increase of turnover and/or profit.

More details are available here;

www.marketing-und-vertrieb-international.com/en/marketing...

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