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*Why do they buy from you?*

**By Jack Miller**

Your customers have a lot of choices, but they've decided to buy from you. Do you know why?

Your sales people might think it's because they have a great relationship with the customers.

Your marketing people might think it's because of good branding and messaging.

Your credit managers might think it's because terms are too generous.

Your product management people might think it's because of inventory and service programs.

Your finance people might think it's because prices are too low.

Your manufacturing people might think it's because of quality. If you catch them at the right moment, they might admit that they suspect it's because your prices are too low.

Senior management might decide to increase margins, perhaps by cutting back on the service offering or reducing manufacturing costs with a negative impact on quality.

Who is right? You really Need to Know.

Unless you ask your customers, you can't be sure. And you really Need to Know.

In reality, it may not be so simple. Some customers may buy for one reason, while others may buy for another. If one customer buys on price, while another buys on service, it may be possible to segment your customers on this basis. Give one customer

the lowest price, but perhaps not expedited delivery on small orders. Give another customer expedited delivery, but not the lowest price.

And it goes deeper. When a customer says service is important, what does that mean? Quick delivery? No charge for delivery? Free delivery on small orders? Helpful customer service people? The ability to easily reach a live person to talk to?

I remember one case where a printer was buying paper from a particular paper merchant because that merchant was 10 minutes away, had inventory, and if the printer needed a small amount of paper to finish a job, they could run over and pick it up. The merchant moved its warehouse, and was now almost an hour away. The printer switched merchants, and incidentally, they also changed the grade of paper to one that the new merchant supported.

You Need to Know why your customers buy from you. You Need to Know what is important to them. It might not be what you think.

So ask.

And sometimes, a neutral third party might get a more honest answer than you will.

And a professional researcher knows how to ask the questions to get the most meaningful answers.

Market-Intell can help you find out why your customers buy from you. And what to do about it.

**For Need to Know™ market intelligence, call Jack Miller at 203 925 0326 or email [jack.miller@market-intell.com](mailto:jack.miller@market-intell.com).**

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