SEED ENTERPRISE MANAGEMENT INSTITUTE (SEMIIs)
Developing a Marketing Strategy

Key characteristics of firms that attract and/or retain customers

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Maximizing the long-term profits of a firm by profitably satisfying customer needs is central to a business success.

The firm should present the product to customers in a way that attracts them and inspires them to come back.
Recall “the concept of marketing”
The business would like to meet customer satisfaction as it generates profit. Three important elements in this are:

* The product: what the customer wants is available, and the four types of utility
* The customer: changing tastes and preferences in a dynamic world
* The firm: and customer relationships
The firm has to handle the product and the customers in a way to attract and / or retain the customers. Some seven key characteristics of firms have been identified.
Seven Key Characteristics of firms

* Location
* Appearance
* Prices
  * Knowledge of the product
  * complementary and other products
* Interaction / communication
* Information: advertising
Demographic area: exhibiting socioeconomic factors like age, sex, education level, income levels, religion, birth and death rates, occupation, family size, …

Exact location, layout, size, right or left of street, neighbors, traffic jams
Appearance

* First impression is a lasting one
* Great prices but with unsightly premises are likely to discourage clients
* The product should also be presentable (i.e. not in dirty packaging that has seen better days)
Profit is necessary for staying afloat, but competitiveness with respect to businesses of the same kind is also important.

Price is a determinant of revenue in two different opposing ways:
- revenue = price x quantity
- when prices rise, demand falls for many commodities (elasticity)
* Employees need to have complete knowledge of the product(s) offered; take into account the utility aspects of the products also

* Wrong information?

* Come back tomorrow for information?
One-top shop is preferred

Find out what else shopper of seeds would normally take
* Avoid rudeness and callousness when serving customers
* Make suggestions without being overbearing (possible only with knowledge of the products)
* Learn changing customer needs and wants
* In the right places

* In different ways: newspapers, coupons, word of mouth (this can be devastating if things are wrong)

* Two day sale
Parting shots

* A bird in hand is worth two in the bush (it is easier to sell to existing clients than to brand new ones)

* Customer loyalty is earned; customers do not owe firms loyalty
Cheers!

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