



## *The Problem with Bagpipes...*

The other night I decided to introduce my boys to something different. They are starting to learn about the notion of “army people”, but do not yet know what they do. So, I thought I would let them watch the Edinburgh Military Tattoo on the television.

The lights dimmed, I pressed play and the initial excitement of seeing a castle quickly faded in their eyes. After a few minutes of watching a parade ground full of people playing bagpipes and drums, they became genuinely restless.

What is it? I asked. The answer, from my 3 year old was simple. “Dad, when are they going to play something we want?” I explained that this was what the Scottish people did at this event, and to be patient – I am sure it would get better. After a few more minutes the next question came... “Dad, are the wiggles playing at this funny concert?”

At this point I conceded defeat; thanked them for their patience and suggested we do something outside.

*After listening to the bagpipes for some time, my son said “why don't they play something that we want?”*

Some may question my parenting style by making them listen to bagpipes, but as their forbears were Scottish I felt compelled to expose them to that part of their ancestry. I have nothing against bagpipes; I just prefer them to be played outside of my hearing. I suspect my boys have inherited my tolerance to this unique musical instrument.

A little later, I was thinking about the whole failed attempt of trying to improve

the cultural appreciation of my children. One thought kept on reverberating around my head... “Why didn't they play something that we want?”

In business, quite often we are supplying goods and services that through our experience we believe are suitable for the marketplace, at a price we believe is reasonable. But when was the last time you checked your competitor's offerings? Are they offering a lower price, a better quality service or even a completely different product (something that the customer wants)?

Sometimes, the first sign we get that our products and services are no longer what the customer is looking for is that business is not as robust as it used to be. The phone is a little quieter, we are getting more people looking, but less people purchasing the higher margin items and even worse, some of our loyal customers aren't buying anymore.

Particularly in tough economic times, if you are unable to provide products that genuinely match a customer's need at a reasonable price, then the customers will seek alternate products at a lower price – more often than not from your competitors.

So how do you retain margins while giving the customers what they want?

There will always be customers who chase the lowest cost product. However, there is an ability to retain product margins. First, you need to break the nexus between selling on price and selling on features and benefits. Second, you need to provide service that is relevant to your customer.

So what does this mean?

While it largely depends on the sort of business you are in, there are two golden rules in building and retaining customer relationships. First, know your products. Second, know your customer. This means (a) you need to understand what your

customers need in order to satisfy a desire they have (either as an end consumer or as a re-seller of a product or service); (b) You have to match a product or service to particular customer groupings; and (c) you need intimate knowledge of your market to be able to adapt your services to meet changing needs.

*Checking in with your customers allows you to adapt your service offering to suit their changing needs*

Regularly checking in with your customers is a great way of retaining knowledge of their needs and allowing you to adapt your service or product offering to suit.

Monitoring competitors is just as important – after all, the last thing you want is end up hearing about the latest developments from clients.

When you are starting to uncover a regular problem with your customers (like not liking bagpipe music), you need to be able to proactively search out a solution. This might be training your staff to highlight other products in your range, or putting new products in to your range. But by being on the front foot, you can demonstrate you are providing a service to help customers, not just fleece them.

Just like my kids listening to bagpipes, sometimes in business we offer products that have no appeal to customers. There is a simple way to avoid investing heavily in something customers doesn't want: ask them; then adapt your service offerings to suit.

So the next time you hear bagpipes being played stop and ask yourself: what is it your customers want, and how do you give it to them without changing your complete business model...