



CPA Info # 119

September 2005

Marketing for Success: Developing a Customer State of Mind

Megan L. Bruch
Marketing Specialist

Often, entrepreneurs consider their products and services from a producer or seller’s point of view and market these products and services based on this point of view. While production measures and terms may be very interesting and understandable to the producer or entrepreneur, the “production point of view” may be confusing or alienating to potential consumers, thus decreasing the effectiveness and efficiency of marketing tactics.

The challenge to producers and entrepreneurs, and one key to marketing for success, is to approach marketing from a “customer state of mind.” Entrepreneurs need to understand what type of product and service characteristics are desired by customers and what information customers need to know when making purchase decisions. Entrepreneurs need to understand “customer values” and use this knowledge in developing and executing their marketing plan.

Customer values include four main ideas, often referred to as the four Cs. When making purchase decisions, consumers generally consider the benefit that they will receive from

the product or service (*customer benefit*), the cost that will be incurred to acquire the product or service (*customer cost*), the convenience of acquiring the product or service (*convenience*) and their knowledge of the product and how to acquire it (*communication*).

Businesses may fulfill the four customer values through four related concepts on the supply side, often referred to as the four Ps of marketing. Businesses can fulfill customer needs or benefit customers by the products and services they offer (*product*). Businesses are able to meet the customer value of cost through pricing (*price*). The location of the business and characteristics of the physical business (*place*) help to meet the customer value of convenience. Finally, businesses can meet the need of consumers for communication through promotions (*promotion*).

The concept of customer values and how these values relate to marketing concepts is vital to entrepreneurs. By approaching marketing from a “customer state of mind,” entrepreneurs will be one step closer to marketing for success.

<i>Supply and Demand Considerations</i>	
<i>Supply (Seller) – The 4 Ps of Marketing</i>	<i>Demand (Buyer/Customer) – The 4 Cs of Customer Values</i>
Product	Customer Benefit/Needs
Price	Customer Cost
Place	Convenience
Promotion	Communication

Programs in agriculture, natural resources, 4-H youth development, family and consumer science, and resource development. University of Tennessee Institute of Agriculture, U.S. Department of Agriculture and county governments cooperating. UT Extension provides equal opportunity in programs and employment.