

Growth Drivers

We always like to say at Tudog that we help companies create value and we claim we do so by helping them drive growth and increase revenues – from which higher value is derived. While driving growth is indeed a skill set that requires deep knowledge of business and business functions, the elements that collectively make up a solid growth drive are somewhat calculated, and as such can be identified and duplicated. This article opens the Tudog vaults and shares our growth model.

One of the primary roots to stimulating growth is understanding consumer buying habits and identifying where along the “buy decision” chain your product can make its necessary impression, draw attention to itself, and convert the customer to a “buy” frame of mind. The consumer buy process has, in Tudog’s model, 8 stages. They are:

1. Awareness of Need or Desire – the consumer recognizes that he/she has a need or a want that should be addressed.
2. Search for Solution – the need or desire recognized sparks a search for a viable solution
3. Option Evaluation – the search yields a number of competing promises that claim to deliver the benefits being sought
4. Selection – the consumer selects the product he/she determines meets his/her buy criteria, which could be based on quality, price or the relationship between the quality and the price (a “best value” conclusion)
5. Purchase – the consumer, sufficiently convinced of the merits of the product, makes the actual purchase
6. Engagement – the consumer uses the product to the need or desire that sparked the buy cycle
7. Judgment – the use of the product allows the consumer to determine the worthiness of the buy
8. Determination – based on the decision of worthiness the consumer either commits to the product (and will purchase again and recommend) or reject the product (and not buy again or recommend)

With these 8 steps understood, the development of a growth model really only needs to fit into the existing consumer habits. Tudog has 5 stages that we follow in the development of a growth program, using each stage to better position the client in the market, increase sales, and through increased sales, enhance value. The 5 Tudog stages are:

Stage One – Expectation Management

The first rule of customer satisfaction is that you met or exceeded the expectation he/she had for your product – which in most instances is established based on the promises you made about the product and the benefits you claimed it delivers. The first stage in increasing sales and creating value is managing your customer’s expectations by promising to deliver only that which you know you can. This is true for purpose and use of the product, the quality delivered, and the timetable within which the benefit is experienced.

Stage Two – Product & Offer Relevancy

The relevancy of your product and its meaningfulness to the market may shift over time. Tudog often works with companies that were once very successful and are now selling less even though they are doing the same things they always did. The puzzle is not in their execution, but in their products or their offer. In looking at the product it is critical to review its benefits, the solution it delivers, and its features. If the combination of these three factors does not provide the company with a compelling, competitive product, then it needs to undergo alterations until it does. Perhaps the product needs to be made more productive (deliver more or a different benefit), more accessible (easier to use), or less expensive. Similarly, your offer, including value (cost versus benefit delivered) need to be reviewed to make certain that the proposition you are making to the market has appeal.

Stage Three – Company Evaluation

Regardless of how talented your management team is and how much experience they have, it all boils down to how well you know your own company. All too often the path to growth is blocked by an internal operational issue such as an inefficiency, logistical misstep, distribution bottleneck, or customer service policy that leaves customers without service. These issues will block all the growth your market based activities will generate and they need to be identified and rectified quickly. So know where your company needs fixing, and fix it.

Stage Four – Be Opportunistic

Growth is established when deficiencies in an operation are repaired, when consumers are given genuine reasons and incentives to buy, and when companies spot an opportunity and take advantage of it. The company should always be on the lookout for shifts in the market, changes in customer preferences, and shifts in consumer habits not as a defensive measure against losses of sales but rather as a mechanism to increasing sales. The other side of making certain you don't lose sales by keeping up with the market is making certain sales increase by keeping up with the market. You want to be on top of things for the opportunities it creates, not because of the mistakes it may prevent. Also, by being on the lookout with this progressive attitude, you will inevitably notice new markets you can approach and sell to, further driving growth because you are not only preserving and growing your existing market base, you are expanding the market base to new arenas.

Stage Five – Reinvent Your Company

It always amazes customers why companies as established as Coca Cola, for example, constantly reinvent themselves through new product introductions and even, with varying success, changes in their existing products. The folks at Coca Cola understand that if you do not reinvent yourself, your competitor will and their version of your company will suit their mission, not your own. You need to review your company and make certain that your values, mission, processes, communications, allocations, market related data retrieval systems, and your leadership are all fresh and bright and eager and able to attract, secure and retain customers.

There's this old joke about a religious man who prays to the Heavens when his town is flooded, and although a boat and a helicopter came to rescue him and he declined, he looked up at the Heavens as if he had been abandoned. When the skies open up the

man is shocked to learn that the assistance from God he was seeking was sent in the very boat and copter he shooed away. Often we are similar in our view and response to circumstances. We see the growth restrictions and we ignore them, and then we wonder why no growth has occurred. Growth is not a complex process. It is the next logical step for every business. Take a good look at yourself, follow the easy steps included in this article and our experience tells us, you'll be watching your company grow.

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