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What's there in it for me?

Identifying customer benefits
and utilizing the knowledge of customer benefits
in marketing and selling

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Preface

In the early 1980s I heard that a customer always buys the benefit of a product. That made me interested, and I wanted to learn what a customer benefits is. With this knowledge I could probably improve my skills as a salesman and achieve better results. But there was also another interesting question that this matter raised. How many benefits are there? Thousands, hundreds, tens, or less? I started to look for the answers in the literature. After looking through numerous marketing books and articles, I recognized that customer benefit is one of the main concepts. Nevertheless, I could not find a satisfactory description of customer benefits, or an answer to the number of customer benefits.

This was the starting point for my study. And I'm happy to share the results of my work with you now. I have considered both the B2C and B2B environment in the results. Consumers and companies experience the same benefits, but there can be a difference in the sources of the benefits, and there can also be different emphasis of the benefits. In B2B selling you need to take a note of all the various needs of the actors in the supply chain besides the needs of the end customer.

I have developed a model in which the concept of 'customer benefit' is clearly defined, and all the potential customer benefits are listed and grouped. The four level model (source, rational, emotional, and core level) gives understanding of the numerous processes (based on material sources, sources in logistics, and social sources)

that can lead to a customer benefit. It allows easy identification of any customer benefit both in the B2B and the B2C environment. Simultaneously, it is possible to recognize lacking or weak customer benefits, which enables planning and implementing of improvements in a product, a service, or in an operation. The model also provides an excellent platform for developing customer-oriented activities, and evident arguments of any products and service products. Furthermore, the model always gives the salesman or the marketer the means of answering one of the most essential question from their customer, "What's there in it for me?"

This book is beneficial for all who are looking for better results through customer-oriented communication, argumentation and operation.

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1 Introduction: Benefit - a self-evident or an elusive concept?

We all know what a benefit is. Or do we? When reflecting more deeply this main concept in marketing and selling, you may recognize bit by bit that it is not so easy to define this concept. Not to mention making a complete list of all the benefits.

We satisfy our needs and wants with benefits

Hey, let's go shopping!

Why?

We could find something nice that we don't yet know that we need!

But I can already manage with everything that I have.

Don't be boring!

We live in abundance. When we set the benchmark for our very survival, the market is full of products and services, without which we could survive quite well. Our standard of living allows us to satisfy all kinds of needs and wants. From the above dialogue, we can see that our struggle to satisfy our needs has both a bio-physiological and a psychological-sociological dimension. In general, the biological-physiological dimension is seen as needs and the psychosociological dimension as wants. In other words, people eat to live and live to eat at the same time.

I guess that having wants is necessary, as well as characteristic of human nature. Drawing a line between the needs and wants is quite problematic. For example, only flavouring food could be interpreted as satisfying a want. We cannot escape our wants, for example, by becoming a hermit somewhere in the wilderness, because even this choice can be interpreted as a desire to satisfy a want. In addition, all the needs and wants can form a multi-threaded tangle in which a separation can become impossible. Our interpretation is affected by our subjective values, of course, which can also change according to our life situation. Therefore, it can be difficult to find a definition for the needs and wants, which would be completely satisfactory. In my opinion, it is not always necessary at all. But whether the question is about a need or a want, we will not acquire a product or service if it does not provide us a benefit. Although we may not always be clearly aware of the benefits that a product or service offers us.

In many ways we are creatures of our habits, and hence not always aware of the reasons for our decisions. When looking at the purchasing decisions we do without considering the benefits, these products and services belong to the so-called *Low-Involvement* category. For example, many groceries belong to this category. When buying these products, we do not sacrifice time or effort to make our choices. Our choices are largely based on our experience and our customs. In other words, we are constantly repeating things that we have learned in the past to be beneficial.

Similarly, we are considering more our purchasing decisions when the acquisition is more valuable, or when it involves various uncertainties and risks, or where our previous experience of the product is poor. That is, when

procurements include the possibility of some level of remorse. These types of procurements belong to the so-called *High-Involvement* category. These include, for example, a number of consumer durables and investments, of course. We are aware then more clearly of the benefits of the product or service.

It is equally difficult to draw a line between *Low-Involvement* and *High-Involvement products*. The difference is again often subjective and can change according to the situation. All products and services, however, always provide benefits regardless of the category they belong to.

Why is so important to understand what a benefit is?

In his book *The Fundamentals of Selling*, Charles Futrell¹ gives the following three reasons why understanding of benefits is important.

1. The customer buys always the benefits – not the features or the advantages.
2. By presenting the benefits the customer understands better how the product satisfies his or her needs.
3. By presenting the benefits you can improve your sales.

If the customer really always buys the benefit of a product or service, then having an understanding of what the benefits are and applying this knowledge, we can always be customer-oriented. This can provide a competitive advantage and enable us to achieve better results, regardless of what we sell. But what everything of the customer benefits should we know?