

## Who Do You Serve?

Fundamental to all strategy is a goal, nothing nebulous, none of the “*we will be the best window company in the world*” nonsense you see in some corporate receptions but tangible aspirations expressed in measurable terms. Strategy is a way of achieving those goals and in business at any rate delivering goals usually involves customers at some point.



But who is the customer? Surprisingly when I ask this question of people I meet, they don't always seem so sure. Often they think that it's anyone who buys the products and services they supply but that's not right, at least in terms of delivering a strategy it's not right, it just leads to a sort of schizophrenic scramble for sales. It leads to product proliferation, often at the cost of profits as sales rise but costs of stocking and complexity outstrip the modest growth gained by trying to 'eat someone else's lunch'. Trying to be everything to everyone is ok if you are Tesco and resource it right but strategy is also about the real world, after the big question of “What should we do?” you have to ask the more pragmatic “What can we do (now)?”.

Just because Tesco have a strategy of delivering everything for everyone everywhere that doesn't mean that they don't know who their customer is. If you ask the question who do you serve? of Wal Mart (Asda in the UK) they will tell you they serve the customer who lives from pay check to pay check. So you'll find small loose items, low cost is paramount, packaging is reduced and deals are everywhere. The shelves and stocking may not be so 'polished' and you may wait a bit longer at the till because keeping staffing and other operational costs low is essential in delivering low cost to that 'pay check' customer. Tesco don't see that person as their core customer however, they'd tell you they serve the harassed housewife where time is a critical consideration. That doesn't mean that price is unimportant, the value range competes on price with the lowest but you can also buy 'the best' range and that'll be considerably more expensive. You can also buy pretty much everything from a guava to a cauliflower. Stores look 'polished', packaging is there to entice and if you wait at the tills they'll open more tills to serve you quicker. Both types of customer buy the same things, groceries, in the same way, from a store, however the businesses are very different....because the customers are different.

So it is with windows or any other product you sell. Customers, whether B2B or B2C have different 'drivers', different things that make them buy. In the mix of quality, price and performance/service different customers will rate the balance of one factor more than others. So strategies have to have customers at their heart, Who is the Customer? What do they want? How do We Deliver it? If all your employee's know the answer to the question Who Do We Serve? they are likely to tailor their behaviour and in any given circumstance do the right thing for the business and the customer.

Which leaves the question who do YOU serve? As business leaders and managers, do you serve the customer, the shareholders, or the employees of your business? The whole point of a 'for profit business' is, well, profit! So that's the shareholders right? Except that in order to make money you have to serve customers and sometimes the right decision is not the most profitable decision, so its customers first? But wait a minute employees are the people who deliver the strategy, developing, supporting and enabling them is every manager's job. So it's employees? .....Interview questions should never have a yes or no answer!

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