

Review of *The 10 Commandments of Business and How to Break Them* by William M. Fromm, ISBN 0-425-13216-1 (173 pages / paperback)

I'm Daniel St-Jean and to review this book, I'll be using an excerpt from my *Milk & Cookies for Success* book where I went crazy over a chapter from Mr. Fromm's book. If you like what you read here, know that how he shows you to break the other nine commandments is just as mind-blowing and eye-opening.

*"Now you've read stuff from some pretty big guns and gurus in the world of business in the last seven pages: Peter Urs Bender, Nido Qubein, Jay Conrad Levinson, Harry Beckwith, Herb Kelleher, Michael E. Gerber, Margot Franssen. But I have to tell you that the text that has caused me the biggest WOW! and Aha! was the one you are about to read overleaf. It's from William M. Fromm's marvelexcellent and illuminating book entitled *The 10 Commandments of Business and How to Break Them*.*

*Make sure you won't be distracted for the next 6 to 8 minutes. Read the text slowly and re-read it a few times if need be to really grasp the message Mr. Fromm is delivering in *The Fifth Commandment of Business*."*... from **Milk & Cookies for Success**

The Fifth Commandment: Thou Shalt Know What Thou Selleth
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*"Regardless of the business that you're in,
you have to be an expert ON what you're selling."*

With that philosophy in mind, most companies work hard to ensure that they have a knowledgeable sales staff. When a customer enquires about a product, there should be a salesperson on the scene to extol its virtues. A lot of companies orchestrate extensive training programs and instruct their sales staff on even the minutest details of their product or service. And, so they should. The problem is that most companies are so wrapped up in what they're selling, that they give little thought to what the customer is actually buying.

Did you ever wonder why you're flying United or PanAm, and not Santa Fe or Union Pacific airlines? After all, at the turn of the century, the railroads practically owned the transportation industry in the USA. The reason you're not flying Santa Fe is that the railroads never understood what business they were in. They thought they were selling transportation by train. But what the customers were buying was an efficient way to move people and cargo. If the railroads had really known what business they were in, they'd probably own the airlines today. Too many businesses are focused on what they are trying to sell rather than what the customer is buying.

Toy trains are another example. When I was a kid—35 years ago—every kid I knew wanted an electric train. More specifically, a Lionel® train. Things have changed in the last 35 years. Lionel® still makes trains. But most kids don't want to buy them. Lionel® thought they were in the model train business instead of the toy business. And when kids wanted toys other than model trains, Lionel® got left at the station.

Several years ago, Tonka® Toys introduced a new toy. Tonka® toys sold a complete line of vehicles—trucks, cars, ambulances, etc. Their new toy was a vehicle that could be manipulated into a robot, and vice versa. Tonka® was the first company to come up with this concept, so they could have named it anything they wanted. But since their culture was trucks, and because these new toys were vehicles that became robots, they called them GoBots™. GoBots™ were an overnight success.

When there's a new idea in the toy industry, whoever comes out with it first usually wins. Because toys are introduced at the annual toy show, if you're the second one to introduce a toy, you literally have to wait a whole year—until the next buying season. With a one-year head start, you'd think GoBots™ had it made.

However, the following year, a similar toy was introduced by Hasbro®. Before they decided on a name, the people at Hasbro® spent some time finding out what kids were really buying when they asked for GoBots™. They watched kids play with the toys. They discovered that kids liked the process of changing the vehicle into a robot. Kids weren't nearly as interested in the fact that it started out a vehicle and ended up a robot as they were in the process of changing it from one to the other. This late entry was appropriately named Transformers™. Its advertising was focused on what the customer was buying. And they literally knocked GoBots™ off the shelf.

Figuring out what your customers are buying is VERY important. If you think you're in the printing business, think again. Your customers want to buy attractive brochures, catalogs, and other pieces that are useful for their work. They don't want to buy "printing," that's just the process. Same thing for being in the advertising business. You're in the business of increasing their market share. No one wants to buy advertising. Companies wish they didn't have to advertise to get business. But they DO want to increase their market share. And what about computers? Nobody wants to buy a computer; they want to buy what a computer will DO.

Whether you're the owner of the company or one salesperson on a staff of hundreds, understanding what the customer is buying is of tremendous importance. And one of the reasons it's key is so you can figure out who your competitors are. For example, Rolex is not competing with Timex. Rolex is a status symbol that, by the way, tells the time. They compete with Mercedes-Benz. You're not going to sell someone a Rolex if he's just looking for a watch.

Another example is Worlds of Fun, an amusement park. The owner of the one outside Kansas City understands that he's in the entertainment business, NOT the amusement park business. So he competes with movie theatres, the KC Royals, the KC Chiefs, the zoo, miniature golf, swimming pools, and golf courses. He competes with almost anyone who offers a good time.

If you understand your product in terms of what the customer is buying instead of what you're trying to sell, you're well on your way to developing a successful marketing strategy. Never forget that:

“Marketing is about what people buy, NOT what you sell.”
