**From "Marketing Big Picture" Six Big Boxes**

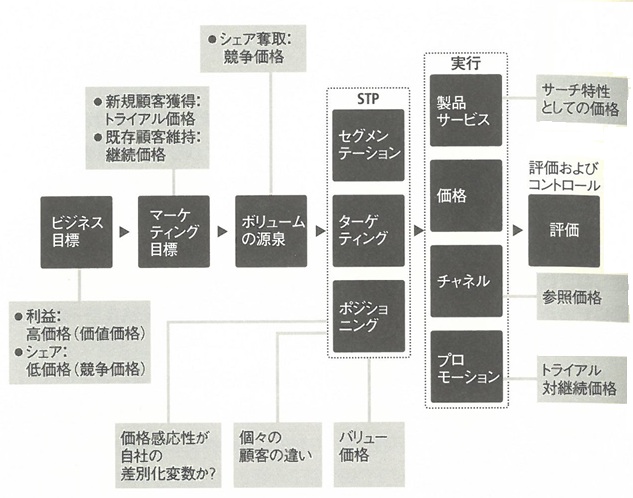
**Marketing is How to proceed? About HOW**

**Marketing System It consists of six boxes**

Author Krusti L. Nordheim.

He attended various marketing courses, read Kotler's "Principles of Marketing," and studied various marketing books, but the theories were all scattered, and he was completely unable to understand what marketing was. There was no system for marketing. Although there were theoretical books on the steps to implementing marketing, there were no books that could serve as practical references.

Nordheim wrote at the beginning of this book that his research led him to the six big pictures he will now describe.



The six boxes are as shown in the figure.

First, business goals: this year's sales target, profit target, operating profit margin

Second, marketing goals: number of new customers acquired, retention rate of existing customers, lifetime value per customer (=CLV)

Third, source of volume: capturing market share

Fourth: STP; segmentation, targeting target customers, customer appeal positioning. Three initial letters of STP.

5. Execution: Manufacturing and selling food, clothing, and shelter products, purchasing and selling food, clothing, and shelter products, and providing leisure and other services

6. Evaluation: Did you achieve your goal of acquiring new customers? Did you achieve a 100% customer retention rate?

Has the lifetime value per customer increased?

For all customer promotions implemented, was the return on investment (ROI) for the promotional investment amount 35% or more (said to be the pass mark)?

One is a box called Business Goals

Identify our areas of expertise, the most profitable product lineups, and categories. For example, what products are customers happy to buy? Which departments are our best buyers in charge of?

Decide on your sales strategy. Will you appeal to low prices? EDLP? Or a wide range of value-added products?

Make the most possible sales your business goal.

Marketing is demand creation = customer creation. In retail store sales (real stores)

Demand = Number of customers x CLV (lifetime value per customer) x Number of stores

For non-store sales (online sales)

Demand = Number of small customers x CLV (lifetime value per customer)

Lifetime value per customer, not just the purchase amount per customer.

Operating profit is the amount obtained by subtracting total sales expenses (cost of goods + promotional expenses) from the sales amount for the year.

This is called Net Profit Value (NPV). NPV divided by the number of customers

The number is the lifetime value per customer, or CLV.

Store sales case: Sales = Number of customers x CLV x Number of stores

1 million yen = 100 people x 10,000 yen x 1 store

1 million yen = 200 people x 10,000 yen x 1 store

1 million yen = 100 people x 20,000 yen x 1 store

1 million yen = 100 people x 10,000 yen x 2 stores

1 million yen = 200 people x 20,000 yen x 2 stores

Businesses must decide which strategy to use to achieve their goals: increasing customer numbers, increasing CLV per customer, or increasing the number of stores. Do they need to achieve all three? It's difficult. Focus on one.

First, one.

Number of customers = Number of new customers acquired + Number of existing customers - Number of customers who have defected

If you want to increase the number of customers, should you acquire new customers or eliminate customer defections?

If you think it will be difficult to increase customer numbers, your marketing strategy should be to increase CLV by 5% from the previous year.

If you have the financial means, opening new stores or making acquisitions are growth strategies. So which one should you choose?

**second box is called Marketing Objectives.**

Marketing goals. Let's think about what our marketing goals are. What kind of customers should we target? Young, middle-aged, mature (= middle-aged).

What is the average number of customers per store?

What is the goal for how many new customers to acquire each year? Keep the customer churn rate at 5%. If the churn rate is 5%, CLV will decrease if that number of new customers are not acquired. Marketing goals include the number of new customers to acquire and a 95% retention rate for existing customers.

The marketing goal is to increase CLV figures by 5% from the previous year.

The number of customers is: Number of customers = Number of new customers + Number of existing customers - Number of defecting customers

Acquire 10% of the number of new customers from the previous year. This is a difficult challenge in this day and age.

Achieving a 100% retention rate for existing customers is also difficult. Usually, 15% of customers leave.

A 5% increase in CLV per customer compared to the previous year is feasible compared to the above two.

Customers are new and existing customers

It is said that it costs five times as much to sell to a new customer as it does to sell to an existing customer.

A 5% improvement in customer churn rates among existing customers will increase profits by at least 25%.

("Customer Loyalty Management" Diamond Publishing)

The more customers continue to purchase from you, the more profit you can make from them.

On the other hand, if a customer stops buying after one purchase, the costs incurred to acquire them cannot be recovered.

The main theme of the marketing goal is

Existing customer retention rate: It's a difficult task, but we aim for 100%.

Customer retention is the ultimate marketing goal.

A talk by the CEO of Netscape Communications.

When I asked a new employee, "What is the purpose of the business?", he answered, "To make money."

"No, our goal is to acquire and retain customers," he instructed.

**The third box is called Volume Source.**

Where does the sales come from?

From selling products. From selling goods. From selling service goods.

Well, that's true, but we also need to have a more strategic perspective.

What are the high-volume categories?

If it's a department store, should it be foreign brands like Hermes, cosmetics, jewelry for the wealthy, duty-free goods for inbound tourists, or underground food?

It has further been subdivided into fashion items such as overseas brands, clothing such as bags, and cosmetics.

If it's a supermarket, do you buy meat, vegetables, fresh fish, or prepared foods?

Further granularity: meat steak or grilled meat, fresh bluefin tuna, prepared food or bento

If it's a service

Domestic and international travel, theater, sports, live music, musicals?

Sales volume by category, percentage of total sales for each category,

Furthermore, who are the target customers for creating volume? Are they young, middle-aged, or machucas (elderly)? What is the main trade area or region?

We will explore these issues in our marketing efforts.

This specific consideration moves to the fourth box, STP Strategy.

There are three small boxes in the fourth large box.

One is segmentation strategy

The second is targeting strategy .

The third is positioning strategy .

The three initials stand for STP.

**Four are STP boxes, three small boxes**

**One of them is segmentation**

Why do we need to segment?

That's because thinking that all customers are the same, that an unspecified number of people are all customers, is not efficient and results in inefficient return on investment (POI).

This is because promotional campaigns that involve throwing things around often waste promotional funds. The aim is to concentrate promotional funds on customer segments with the greatest opportunities. This is marketing. The aim is to focus on customers and regions with the greatest opportunities. This is the way business and marketing should be.

The main segmentation patterns are by customer and region.

Customer segmentation includes age, generation, life stage, lifestyle, etc.

Ages include 20s, 30s, 40s, 50s, 60s, 70s, etc.

In terms of life stages, there are single, newlywed, first child, two-generation family, children leaving home and becoming a married couple again, mature (= elderly generation), etc.

Lifestyle segmentation: There is also lifestyle segmentation that assumes lifestyle habits based on purchased product data. Convenience store lover, meat lover, bento lover, vegetarian, bulk purchase lover, fruit lover, bulk purchase lover, etc.

Regional Segmentation

In the Kanto region, Shibuya, Shinjuku, Minato, Chiyoda, Setagaya, Adachi, Itabashi, and Arakawa

The characteristics of customers who live along the Seibu Line, Toyoko Line, Tokyu Line, Kawagoe Line, etc. can be determined to some extent.

In Kansai

Amagasaki, Nishinomiya, Ashiya, south of Namba and north of Umeda. There are differences in the shirts and suits worn.

Nara, Kyoto, Toyonaka, Ikeda, Takatsuki, Sakai, Matsubara.

There are also differences along the Hankyu lines (Kobe Line and Kyoto Line), Nankai lines, Kintetsu lines, and subway lines.

Which customer profile should be carefully selected for volume? Young, middle-aged, or mature elderly?

Which areas and residents along the railway line will be the source of volume?

**4 STP boxes 3 small boxes**

**Number 2: Targeting**

Determine where our opportunities lie in customer segmentation.

Assessment of segment volume sources.

Are they over 60? Or maybe in their 40s or 50s?

Are you at the single stage, the first child birth stage, or perhaps even the mature stage (i.e. older generation)?

In which product categories do we have volume opportunities?

Drill down to the finer details to determine opportunities.

In regional segmentation, Shibuya Ward, Minato Ward, Setagaya Ward,

As for railway lines, should we focus on the Tokyu line? Tokyu stores are located along the Tokyu line. In that case, we should consider areas around stations on the Seibu line that offer high opportunities as our main areas.

In the Kansai region, we are considering Nishinomiya, Toyonaka, H2O Izumiya Hankyu Kansai Supermarket, OK is also building a new store, can we beat OK EDLP? We will consider other segment opportunities.

There is a database that stores receipt data. If not, use the Jericho Cloud service.

**a "region/age matrix" that** displays the number of customers purchasing by region and age group and their composition ratio (ratio of customers by region and age group to the store total), as well as the purchase amount and its composition ratio (same as above).

This information is used to specify the product and service menu.

Enter the main source of sales volume, such as meat, bento, or Japanese daily products.

Customer segment/regional segment. Set segments with a high number of customers and their composition ratio, as well as segments with a high purchase amount and their composition ratio as your main targets.

Rather than relying on intuition, you should refer to the results of customer demand over the past year or so, and specifically and objectively determine which demand opportunities to target. This is how marketing is implemented.

**4 STP boxes 3 small boxes**

**No. 3: Positioning**

Competitor companies sell similar products in similar shelf layouts and with similar sales floor layouts.

We segmented customers and regions and considered opportunities for each segment.

This is not enough. We are selling the same products in the same way as our competitors, and using the same sales promotion methods. We have segmented, targeted, and decided to target segments that offer the greatest opportunity for investment in sales promotion funds. This is not enough.

There is an easy-to-understand example.

Positioning done by American Dial Soap.

"Skin-beautifying effect" for women. "Body odor prevention" for men. But we don't just sell soap.

Coca-Cola. "A refreshing Coca-Cola!" "Coca-Cola to quench your thirst!"

Positioning is effective in stimulating customers' subconscious minds.

"Buy soap" and "Buy Coca-Cola" are already ingrained in the brain in the subconscious mind. Soap, Coca-Cola. Customer needs are soap, Coca-Cola.

It is said that the conscious mind accounts for 5% and the subconscious mind accounts for 95%.

Positioning stimulates 95% of the subconscious mind.

In the parcel delivery industry, FedEx has long ago implemented a service called "delivery within three days from order."

Positioning will be such as "Delivery within 3 hours and 30 minutes of the afternoon of the next day after ordering."

Positioning can be done through things like a free return guarantee, a 24-hour inquiry service, a dedicated toll-free number service, or a free lifetime warranty.

Our sales floor development and product assortment positioning.

Consider the positioning of each product sold.

Selling point = Keywords = Cache copy = POP = Positioning

Positioning creation. Other companies may soon imitate and follow suit.

Even so, the original pioneering company will be questioned by the media and remembered by customers.

The first one to arrive wins.

**Positioning Setting Tips**

**Think carefully about the benefits of the product, write them down in a notebook, and then make a decision.**

**Products are bundles of benefits**

Benefit = convenience. Hammer = benefit of hammering nails

The benefits of a car are: you can get to your destination quickly, you can drive with your girlfriend, it's convenient for shopping, and many more.

What benefits does the product or item you are selling offer?

Marketing is about how (channel), how much (price), and what kind of promotion a product or item will be sold - Kotler's 4Ps are not marketing.

Positioning is about what message to send to stimulate the subconscious mind about the value (added value) of a product or item.

Coca-Cola "quenches thirst." Soap for women "beautiful skin" and men "prevents body odor."

Viagra "Sexual Performance" "Couples Experience Pleasure".

Red sports car: "Attracts interest from women who are out of reach" and "Secures a lover"

Benefits can be divided into functional benefits and emotional benefits.

The functional benefits of a car are transporting people and goods. Safety, operability, and fuel efficiency are also functional benefits.

The emotional benefit is the sense of belonging that comes from wanting to ride in the same car as other people.

Toyota's Lexus, Nissan's Bluebird, EV company "Tesla," etc. are all things I aspire to.

We propose a close link between functional benefits and emotional benefits.

Supermarkets and drugstores.

"A slim and toned body" is a vegetarian diet = vegetables, fruits, and almond milk

"Vegetarianism is good for preventing illness" = Tomatoes, spinach and soy milk

"Anti-aging" = Meatless Monday = Paul McCartney

(Meatless Mondays, a movement spreading around the world)

**Five big boxes called "Do" and four small boxes inside them.**

**Product service, price, channel, and promotion**

The execution here refers to the execution of marketing goals, including the segmentation, targeting, and positioning that have been set to achieve the marketing goals.

**Product (= goods), service product box**

Deciding what products to purchase and how to arrange the product lineup in order to acquire new customers, retain existing customers, and prevent defections.

We purchase and stock our products with an eye to what products will be most suitable for the target age group or life stage.

The same idea applies to service products.

For example, for mature people (those aged 65 and over),

We offer a selection of healthy products, and for the child-rearing stage, we offer a selection of easy-to-eat, timeless products.

For mature customers, we offer service products such as cruises around Japan and cruises in the Aegean Sea.

In addition, to attract new customers, we introduce and stock products that cannot be purchased at other stores.

To retain existing customers, measures such as using receipt data to position products with "high purchase rates and high repeat rates" on POP displays will be implemented to prevent customer defections.

**Price: Consideration and implementation of sales price**

Newly introduced products will be sold at special prices to attract new customers.

One method of setting prices is to set 5% of the products in the assortment at the same price as cost, 10% at 10% above cost, 15% at 20% above cost, 15% at 30% above cost, and the remaining 50% at 35% above cost, etc. This is the kind of pricing policy we will implement.

Another thing to consider when setting prices is by item (natto, tofu, yogurt, etc.).

Prices are determined and implemented using Priceline's three-tier pricing principle: "lower price, middle price, upper price."

**Running a channel**

This will be implemented through a retail sales channel that only sells in real stores (= analog stores).

This will be implemented through a channel that sells only online (=digital) sales.

It will be sold through a dual channel (omnibus) of physical stores and online sales.

There are three main channels.

Decide which of the three channels is right for your company and implement it.

The marketing objectives include acquiring new customers, retaining existing customers, and preventing customer churn. The evaluation of these objectives is explained in Box 6.

The standard is to evaluate at the end of the year, but if the fiscal year ends, progress observation is not possible. I would like to observe progress over the course of the period. There is a way to do this.

Regardless of the fiscal year, it is the previous year and the current year. For example, if it is the end of September this year, specify the period from October of last year to September of this year.

**"Purchase Amount by Amount Rank"** information. This information allows you to understand the number of new customers acquired and the number of customers who have defected. It is also possible to understand the number of new customers acquired and the number of customers who have defected in the nine months from the beginning of the year to the current month (end of September). Use this information to monitor progress.

**Promotion Execution**

The newly introduced product is Decile 1, Decile 2, and Decile 3 for 30% of customers based on **the "Decile Analysis" information.**

New product introduction proposals will be implemented through direct mail promotions.

, promotions are carried out by sending direct mail about "new products" to customers in the 1st to 3rd deciles of each sales floor (= shop) .

**"RFM Cell" information** is effective for promotions to prevent defection .

The number of customers displayed in **RFM cell and BB cell are customers who have not yet completely defected but are showing signs of defecting.**

If we offer a product to this number of customers, there is a possibility that more than 50% of them will return.

If left unattended, they will completely abandon you and you will lose your existing customers.

Social events do not need to be promoted with special promotional funds.

An assortment of seasonal products, including fruits, some fresh fish such as sweetfish, etc.

Test sales were conducted earlier than the previous year for customers in the Decile 1 to Decile 3 ranges.

Get customers who are sensitive to seasonal products (=early adopters = early adopters) to visit your store before other companies.

**6. Evaluation of marketing activities A box called**

Boxes 1 to 6 are arranged in a row, flowing from upstream to downstream of a river.

In other words, the sixth box is organically connected.

It starts with business goals, followed by marketing goals, volume sources, STP, execution, and evaluation.

The process is goal, plan, execute, and evaluate.

is **the assessment of the results of planning and execution .**

Did you increase the number of new customers you acquired by 10% compared to the previous year?

Previously, we had 10% of our goal of 5,000 existing customers. Were we able to acquire 500 new customers?

The goal is to retain existing customers at 100%. Have we achieved 100% retention?

If it was only 90%, that would be a 10% decrease from 5,000 people.

This year, there were 4,500 purchasing customers.

If you were able to acquire 500 new customers, a 10% increase, you would make up for the 500 customers who defected, bringing your current customer count to 5,000. This means that 500 customers will have been replaced from the previous year. However, if you only gained 200 new customers, you would lose 300 customers this year. This would bring your current customer count to 4,200. This would mean a 16% customer attrition rate. CLV would fall by the amount of the decrease in customer count.

So far, we have looked at data for one year's total for each store. This is still insufficient. What caused the decrease in customers? We need more in-depth data (i.e., customer analysis information by amount rank) to determine whether new customer acquisition was on target.

Supermarkets, drug stores, and home centers are sorted by department, class, and item. Department stores include Louis Vuitton, Hermes, shoe departments, bag departments, Kana Shojuan, Bunmeido, and Juchheim.

By department, and then by subdivision of the department (designating the department, then the subdivision).

In department stores, there are shoe sections, bag sections, sections by shop, such as Kana Shojuan, Bunmeido, and Hermes.

By specifying the period from January to December last year and this year, or from January to June or the first half or second half of July to December, the number of new customers acquired, the number of customers who have defected, and the total number of customers who have made purchases this year (= number of existing customers) can be displayed for each sales area in just three minutes.

**If the number of new customers acquired is low, such as zero customer defections, then the sales floor or shop has very high customer satisfaction.**

**If the opposite were true, it could be evaluated as a sales area where customers are dissatisfied.**

**Once a year, the number of new customers acquired, the number of defected customers, and customers who have spent over 1 million yen on all sales floors are displayed on a single screen, along with customer rankings by purchase amount.**

**There is also a way to target people based on their life stage.**

**One of the segmentations: life stage**

**Life Stage Segmentation Part 1**

Life, from the cradle to the grave. As we grow, we experience different stages.

Baby stage. Toddler stage, elementary school, junior high school, high school, and university learning stages.

The single stage, the life stage of a newly married couple (newlyweds), the stage of raising children, the stage of family growth with the birth of a second child, the stage of children moving out, and the stage of old age. Everyone experiences the life cycle of life.

Depending on the stage you are in, your emotions, desires, needs, and wants will be different.

In his book "Career Couples," which describes the roles of men and women in the new era, he describes life stages as follows:

The couple stage (starting at marriage and up to the birth of the first child), the expansion stage (from the birth of the first child to the birth of the second child), the peak stage (when there are two or more preschool-aged children), the full house stage (until the first child leaves home), the contraction stage (ending when the last child moves out), and the empty family stage (when all the children have left).

**Life Stage Segmentation Part 2**

Segmentation by generation, also known as generational marketing.

A marketing method that treats generations as a single group.

Baby Boomers, second generation baby boomers, Generation Z, Millennials, etc.

Baby boomer Taichi Sakaiya published a book titled "The Baby Boomer Generation," which became a huge bestseller.

Generation Z refers to those born between the late 1990s and early 2010s. As of 2025, they are between the ages of 13 and 29.

They are also known as digital natives, who grew up in an environment where the internet and smartphones were widespread from an early age, and social natives who are adept at using social media.

A generation that flocks to the city's downtown areas .

Millennials are people born between the 1980s and mid-1990s, experienced the spread of digital technology, and are adept at using social media. As of 2025, they will be between 35 and 45 years old. They are the generation that primarily raises children. Many women are unmarried, and many are working. They are the main consumers. Known as the "king of singers, " Lady Gaga (born March 28, 1986) is an American singer-songwriter, music producer, actress, businesswoman, and philanthropist, and is said to be a representative of the millennial generation.

**Life Stage Segmentation Part 3**

All developed countries are simultaneously entering an aging society, and are said to be living in an aging society with a declining birthrate.

Japan is at the forefront, followed by China, South Korea, North Korea, etc. Countries with large immigrant populations, Asia, Africa, and India are developing countries. Japan's major retailers are competing to enter Asian countries and India in search of growth.

The largest population in Japan is 36.96 million people aged 65 or over. The values of this elderly generation are said to be as follows:

Young people simply focused on price when making their purchases, but older people value value over price.

Based on past purchase experiences, they feel dissatisfied or lacking in bargain items. They place importance on value.

During your working life, you have three places: work, family, and friends. When you retire, you lose your workplace. You make up for it with the two remaining circles. You tend to prefer social circles.

They like independence. They stick to their own ideas. They make their own decisions. They are not easily influenced by the opinions of others. They have a desire to live independently, both mentally and physically, without relying on others.

It's a common misconception that retirement causes the brain of an older person to hibernate until death.

This is far from the truth. Mature people have time for themselves. They can expand their horizons in new ways, big and small. They have renewed energy and an eye for expanding their knowledge. They have a desire to learn and expand their horizons.

With age comes a wealth of wisdom and experience, and I feel happy when people ask me to share my hard-earned experience and knowledge.

They would be pleased if they were given the opportunity to show respect and act as mentors and advisors. The distribution industry needs to develop marketing that targets more middle-aged people (i.e., mature people). There is little knowledge about the psychology and strengths of the elderly.

**Life Stage Segmentation Part 4**

Intergenerational values are called cohorts.

A cohort is a group of people who grew up in the same era and were influenced by the same external events that shaped their lives as they grew older.

The US middle-aged cohort is defined as follows:

A group born before the mid-1920s who grew up in the midst of the Great Depression.

This generation was born in the late 1920s and early 1930s and was less affected by the Great Depression during their youth, but was heavily affected by World War II.

The generation born during peacetime from the late 1930s to 1946 is known as the Silent Generation.

The youngest generation are baby boomers, born after 1946.

They were an unprecedented generation in American history who were influenced by hippie culture around the time of the Vietnam War (1950s).

The older generation, who lived through the Great Depression, sees debt as almost a crime.

65 have no debt, including paid-off mortgages.

Baby boomers, the youngest generation, rely on credit as a financial tool. They spend a lot on repayment (payment on credit), making them a valuable consumer for retailers like Walmart.

**Life Stage Conclusions;**

Consider the department you are in charge of and which stage you want to target.

Buyers, what product are you currently purchasing? What stage is it for?

Sales representative: What stage is the product you just picked up aimed at?

When selling something, you have to be conscious of your customers. Who you are selling to, who you want to buy,

If you purchase, display, and sell products without this in mind, you will not be able to attract many customers.

Be strongly aware of segmentation, targeting, positioning, and STP.

**There is also a way to target people based on their lifestyle .**

**One of the segmentations: Lifestyle**

In order to satisfy customer needs, marketing that focuses on the customer's lifestyle is a marketing method that allows you to get closer to customers than just their life stage.

consumers from a psychological perspective.

Sociologist D.G. Moore defines lifestyle as **"a patterned way of living." Psychologist G.W. Allport defines it as "a view of life and values that are gradually formed in the course of life** ." Customers are human beings with emotions. Different people feel differently.

The lifestyles of the pre-war and post-war generations

Frugality is the motto, hard work and savings. Sacrificing today for tomorrow's happiness. Emphasizing human bonds. Living peacefully with family and the community. A world of "we." Currently, a world of "I am me." Putting others on the back burner. It's even worse than that. Indifferent to others. It's okay as long as you're having fun. Not interested in the person living next door. Don't say hello.

At home, locked in my room, staring at my smartphone. While walking down the street, riding my bike. Is there urgent news? A friend sitting next to me. We're talking on our smartphones. It's not really a discussion. The family is falling apart. The daughter and son are mentally independent. A lifestyle where money is the purpose of life. The elderly are seen as a social scourge. The internet society is creating complex lifestyles. Nearly 100% of food purchases are made at convenience stores.

A young person died from some reason. A certain monk said, "It doesn't decay easily." That's right, there are a lot of preservatives in the body. A slice of bread from a convenience store doesn't grow blue mold even after a week.

We will provide a detailed explanation of lifestyle segmentation and targeting.

The lifestyle segment has the advantage of being able to extract customers who more closely match their needs.

In department stores, the divisions by brand and sales floor are similar to lifestyles. The sales floors are divided into categories based on what people want to buy. Ferragamo, Chanel, Christian Dior, Louis Vuitton, Coach, Clinic, Ralph Lauren, Kenzo, Sanrio, Miki House, Kana Shojuan, Bunmeido, Minamoto Kitchoan, Juchheim, Godiva, Morozoff, etc. The sales floor itself reflects customer needs.

Home centers stock products related to professional construction, kids' hobbies, gardening, outdoor leisure, pet life, DIY, cycling, interior design, farming, kitchens, bathrooms and toilets, home appliances, organization, and more.

Customers who buy drills and saws are registered with the "Construction Pro" lifestyle.

Customers who buy things like flower seeds and lawnmowers are considered to have a "gardening" lifestyle.

At a drugstore, customers who buy energy drinks are considered "energy drinkers , " customers who buy anti-aging supplements are considered "anti-aging" lifestyle, and customers who buy diet-related products are considered "diet" lifestyle.

As for supermarkets, let us introduce the lifestyle initiatives undertaken by their headquarters in London, UK.

"Convenience Store," "Cooking," "Healthy," "Big Box," "Small Foods," "Green"

It defined around 30 lifestyles, including " fruit," "low price," "private brand," "value foods," "traditional," "latch box," "ethnic," "high price," "meat," and "vegetarian."

is assigned 30 lifestyle codes such as "This is meat," "This product is a high-end accessory," or "This product is a health food."

The receipt detail data will reveal the lifestyle code, and purchases with a high number of that code will correspond to the appropriate lifestyle.

**Lifestyle Customer Identification,** developed by Jericho Consulting, takes a different approach to identifying lifestyles.

For example, customers who buy more than 20 items from the prepared food section per month are classified as "convenience type," while customers who buy Tomaru udon soup, miso, soy sauce, and olive oil are classified as "kitchen type" or "cooking type."

A lifestyle bar for registering such things is displayed on the screen.

By specifying a three-month period and clicking the "Cooking" bar, customers who have purchased over 100,000 yen worth of products such as Tomaru Udon soup and miso from the receipt data stored in the database will be classified as cooking lovers.

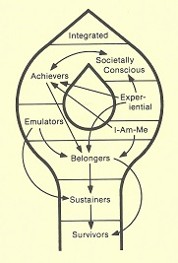
The number of customers is counted, and if there are 50, the bar displays 50. By displaying a list of 50 people, you can extract 50 customers as promotional targets.

**Stanford Research Institute (SRI) spent over 10 years**

**Analysis of purchasing data from thousands of Americans, categorization into nine lifestyle patterns**

Research has begun to prove **Maslow's "Five-stage pyramid of needs."**

Maslow explained the five levels of human needs in "The Complete Man," published in 1964. The book became a hot topic around the world. The five levels begin with "physiological needs," then move on to "safety needs," and then to the even higher level of "social conformity needs." Next comes "ego needs," which are the desire to be recognized by others, and at the top of the pyramid is the need for self-actualization.

The Stanford Research Institute is a spade diagram, as shown in Figure.

From the bottom up, Survivor, Sustainer, and Belonger.

From there it splits into left and right.

Left: Emulator, Achiever.

Right side: I Am Me, Experiential, Socially Conscious.

The top is integrated self-actualization.

A group struggling to survive is called a survivor (to survive), a sustainer (to hang on) , and a conservative, traditional Belonger.

Emulators are young people who strive to get ahead. Achievers are

A middle-aged man who has been promoted to department manager and executive.

On the right are I Am Me. Achievers' children. Experimentalists are people seeking social experience, and Social Conscious are people with a high level of social awareness.

Maintaining the global environment, curbing climate change, sustainability, SDGs.

The arrows in the diagram. Lifestyles move left and right, and up and down and left and right with social changes and changes in the times.

What is particularly noteworthy is that compared to 50 years ago, the number of achievers (those with high salaries) has become extremely small and has shrunk. I Am Me is centered around many Z households.

It can be expected that the population below Belonger has increased significantly.

Most of the 36.96 million people aged 65 or older are in this group. "I am me" is extremely individualistic. As long as I'm happy, other people don't matter.

The year is 2025, a time of rising prices, and the population is growing.The company is dealing with low-income people who are ``I am me'' (people who do not consume much material goods) and below the ``Belonger'' level.

We are now in an environment where marketing and CRM are becoming increasingly important.

**Aiming to attract customers through brand building**

**Acquire new customers, maintain existing customer retention rates, and increase CLV**

**Brand Thinking Use**

If you have a brand, you can set your positioning.

A brand is more than a product. It's something that is created in the minds of customers.

When customers see a brand logo, they know what it is.

No explanation needed. Everyone knows it.

For example, when a housewife buys juice, a story emerges: "Kids love it. It's good for your health!"

A brand communicates technology, quality, functional characteristics, benefits, and empathy to customers.

A brand is a customer's "memory aid," "quality information," and "basis for differentiation."

A brand is something that motivates customers to buy.

Mercedes-Benz is prestigious. Sony is a pioneer. Kellogg is a familiar brand.

Kleenex is disposable. Harry Potter is a story. Nike is a sport.

Starbucks is postmodern. Rolex is luxury. Tiffany is joy.

David Beckham is an idol. Harley Davidson is a man. Guinness is overtime.

Amazon is internet shopping. Domino's Pizza is home delivery.

**Brand Law**

A brand is powerful when it's focused. Create a word in the mind of your customers.

The easiest way to destroy a brand is to put it on every product.

Use colors that are opposite to your competitors. Brands are names. Ultimately, a brand is a name.

When deciding on a brand name, consider things like: is it easy to pronounce? Does it have a musical sound? Can you write it down after hearing it once? Is it easy to read? Does it speak clearly? Is it concise? Is it unique? Is it interesting? Does it feel authentic?

Branding is about "how it makes the customer feel." The manager of Walt Disney Attractions said, "What we sell is happiness."

Revlon CEO Charles Revson said:

"We make cosmetics in our factories" and "we sell hope in our stores."

Swatch made watches easy fashion.

The Central Market owner

"It's not about the selection, it's about the shopping experience."

Coca-Cola has successfully revived its traditional flavor as "Classic."

Seven's brand "Seven Premium" and Aeon's brand "Top Value".

The meaning is uncertain.

Large companies can do it, but small and medium-sized companies can't. That's not true. Even small and medium-sized companies can do it.

Brand the sales floor not through the products, but through the layout of the sales corners.

"Healthy," "Slim and sharp," "A small gift," "A unique snack."

"Sorry it always sells out!" "Vegan food!" "Cute!" "Colorful"

"Nut collection," "Made in India," "Ethnic."

Corners like this are displayed here and there.

I picked up the product, wondering what it was.

Feeling adventurous, I toss my purchases into the basket.

This experience can be repeated several times and become a brand.

Once this brand takes root, word of mouth will spread.

Word of mouth is the best way to gain new customers.

A brand is more than just a name for a product.

Something that stirs the emotions of customers .

To do this, it is important to provide a good experience.

A dedicated buyer will be appointed to develop the corner.

**Customer First**

**Customer First: The engine that drives company growth**

An article I read in the Nikkei Shimbun newspaper "My Resume" (July 21, 2025).

"NTT Docomo's President Nakamura called former Shiseido Chairman Moto Uotani, saying that our company is not customer-oriented and that he wanted us to guide the company to become more customer-oriented. And so began the 1,000-day challenge to become more customer-oriented. The company must change to become more customer-oriented. Marketing is management itself! We have begun management reforms to establish customer-oriented management."

**Delighting customers, building trust, and growing them into lifelong customers. Customer-first philosophy.**

**Does customer first make a company grow?**

**What does customer first mean?**

**Since this does not exist in Japan, we will learn from the US example.**

**To become the number one customer-oriented company in Japan.**

**No matter what anyone says, Nordstrom is the number one company**

He has a legendary reputation for his customer service.

Nordstrom Department Stores currently operates over 100 stores across the United States.

1901. In the 1980s, it expanded to include clothing and other products. It grew into a department store. Nordstrom was founded by Nordstrom, a Swedish immigrant who opened a shoe store.

In his book "When Service Becomes Legend,"

It said that their motto is "not to outmart (outsmart others with strategies), but to provide outservice (service that goes beyond service)."

The president's welcoming speech to new employees reads as follows:

"Welcome to Nordstrom." It's a pleasure to have you here. At Nordstrom, our number one goal is to provide the best possible service to our customers. We expect you to aim high, both personally and professionally. You can achieve high goals. At our company, you make decisions all the time. Use your excellent judgment. Other than that, there are no rules at Nordstrom. When in doubt, don't be afraid to ask your manager, anytime, anywhere."

Employee training is only one day long, and there is no work manual.

Nordstrom introduced the "inverted pyramid" organization in 1971. Up until then, there had been no organizational charts. The inverted pyramid organization has customers at the top, salespeople below them, department managers, store managers, product managers, and buyers. At the very bottom is the president and board of directors.

There are only two types of jobs: the front line, which serves customers directly, and a set of jobs that serve front-line employees.

The president does not reign at the top of the organizational pyramid. The sales staff who interact with customers make their own judgments and decisions and respond to customers accordingly.

I heard the following stories directly from sales staff and store service managers:

I realized I had left my airline ticket on the counter. I told my colleague, "Please help me at the counter!" and drove to the airport in my car to deliver the ticket to the customer. I delivered it safely.

A customer came in to return a tire. "How much did you pay for it?" Customer: "$65."

The salesperson took $65 from the register and refunded it, even though I didn't have a purchase receipt or anything.

They didn't ask for it. The customer is right. Nordstrom doesn't sell tires.

An elderly man told a salesman he couldn't find his car (large parking lot in the US).

The salesperson immediately contacted the customer manager. The manager then asked someone who was available to help and searched the parking lot until they found the item. Later, the grandfather sent a thick thank-you letter in the mail. In it, he wrote, "I've never bought from Nordstrom before, but I'll buy from Nordstrom from now on." The service manager said it was the happiest thing that had ever happened to him.

The Nordstrom manager, who I met for lunch at a lecture at Seibu Department Store, asked if the tire refund was true.

"It's true," was the answer. "You'll lose money!" was the question. "You also give lectures and talk about tires. People all over the world will spread the word. How much is that worth?" was the reply.

I learned about this value. Apparently, many people hear about Nordstrom and visit the store to "try it out." It's a difficult time to acquire new customers. This case explains why word of mouth is the most powerful tool for acquiring new customers.

**Mitchell, a men's clothing specialty store with only three stores Customer First**

Jack Mitchell's Customer-Focused Management

**"My Ultimate Service: How 94% of Customers Say They're Satisfied"** by Jack Mitchell .

In 1958, my father opened the store that would become Mitchell's, a two-store men's clothing specialty store.

The customer database contains 115,000 customers. Customer lists and purchase data from both stores are stored in the database. The president and all executives are on the sales floor. It's a customer-oriented business. Naturally. They treat customers as if they were inviting them to their homes.

President Mitchell's morning.

Look at detailed data on customers who purchased over $2,000 the previous day. While sipping the first cup of coffee, find out the customer's name, the name of the staff member who served them, and the brand of the product that sold. While sipping the second cup of coffee, compare this month's sales with last year's. Afterwards, make a thank-you call and send a thank-you letter. Customer first is a natural obligation. Actions to retain customers.

Mitchell's winning strategy

Always maintain the highest level

Maintaining industry-leading margins

Don't make expenditures that don't impact customers

End of season, zero inventory

Even if the store is closed, someone always answers the phone when a customer calls. If the president isn't there, it's number two. If number two isn't there, the call goes to number three. The person who receives the call rushes to the store, opens the shutters, and waits for the customer. This is unthinkable behavior. They're taking unthinkable actions.

A client spills coffee in the car on the way to a friend's wedding. There's nothing you can do.

He calls Mitchell, saying he knows they can do something about it. He opens the shutters and waits, even though it's his day off. He calls the suit seamstress. He can't wear a formal suit with coffee spilled on it. He measures the customer. He selects a suit from the suits in stock that is close to the measurements. The seamstress rushes to make it. The customer says it arrived in time for the wedding. There are many stories like this in his book.

**Southwest Airlines Customer First**

This airline has grown rapidly using the following strategies and tactics:

This shows the company's management philosophy of concentration and its thorough commitment to service.

Flights must be on time. Delays in departure and arrival in the US are common. Customers must be patient and persevere.

No reserved seats. Sit wherever you like. Low fares.

There is no in-flight meal , and only one aircraft model is available (limited maintenance and inspections are required for this model, allowing for inspections to be completed in a short period of time).

They state that employees come first and customers second.

He spends more time planning company parties than drafting business policies. He creates advertisements that make fun of his company, employees, and acquaintances.

CEO Harp Carey has employees appear at interviews in jackets and Bermuda shorts. This is truly "outrageous." Boeing 737 aircraft painted in various colors.

Flight attendants in mini dresses, flight attendants who surprise passengers by popping their heads out of the overhead bins, and female employees who show up in full military gear... We have created a corporate environment where people can freely express their ideas.

Safety is not the focus of work. Enjoyment is the focus. Employee-oriented printed materials such as company newsletters, pamphlets, and videos amount to 642 pages per employee per year.

sends out 75,000 congratulatory cards to customers, employees, and friends for birthdays, wedding anniversaries, baby births, and other special occasions . On Valentine's Day, the company presents the "Heart Hero Award" to employees who make outstanding contributions behind the scenes. The award ceremony is held in a large-scale event in the main lobby of the company's headquarters. The company has achieved excellent results by putting into practice ideas not discussed in business management or marketing theory.

**Scandinavian Airlines CEO Jan Carlsson: " Moment of Truth"**

of Truth Of Truth

Frontline employees are told that the 15 seconds of customer service they receive can determine the success of a company.

The moment of truth is 15 seconds. You have 15 seconds to finish the customer off.

The Moment of Truth is the final blow. The moment of truth. It's a term used in bullfighting.

**to make a good or bad impression on a customer** .

It only takes a split second to decide whether to turn a customer into a lifelong enemy or a friend. A customer has less than 15 seconds to judge a company.

The coffee cup that was served was a little dirty

The hand towels smell

The table is wet

The soup is cold

The menu is dirty

The waiter takes a long time to come

Cooking is slow

The account is wrong

The uniform is dirty

The staff is yelling loudly

At age 36, Carlsson was the youngest airline president in the world, and was invited to lead the Swedish domestic airline Lynfriet, where he led the company's restructuring.

Due to his achievements, he was appointed president of Scandinavian Airlines.

The company, which had a $30 million deficit the previous year, turned a profit in just one year.

Reallocating authority to employees.

We transformed the company into one that makes on-the-spot decisions for our customers.

They don't say you can't board without a ticket. They'll figure something out.

You can board without a ticket, but that's how Scandinavian Airlines does it.

**What is Service? Service, Practice and Management**

Will the service improve business figures?

The answer is YES

Companies with high quality service have an operating profit margin of 12%.

Companies with poor service quality have operating profit margins of 1-3%.

Improving the quality of service will increase profits.

"Service Management" by Carl Albrecht and Ron Zemke states that successful service companies have eight distinctive factors.

Emphasis on action: "Just do it" - Close contact with customers, customer first.

Autonomy and entrepreneurship, productivity through people, empowering and taking action

Value-based practices and management that communicates the vision to everyone

Do the best you can without straying from the basics, and always strive for improvement

Simple organization, small headquarters, well-organized organizational structure

It has both strict and gentle aspects at the same time.

Thorough responsibility and explanation for the line

Corporate management that emphasizes technology and product development

We will become a strong company by providing services that are different from what we currently do.

Do it now, do it anyway, stay close to customers, have a small headquarters, and show everyone your vision.

Resale of the first edition of "The Service Management Revolution."

Is what customers want from companies to keep bringing new products to market?

Is this a new product that will change things?

Is it the low price?

Do customers just want low prices?

Customers want you to deliver on your promises, be precise, be respectful, understand the rush, and be well prepared.

**Karl Albrest's "10 Lessons of Eternal Truth"**

Know your customers!

Decide on a clear battlefield!

Statistical methods that cannot be performed on a calculator are useless in practice.

Smile training is a waste of time and money!

Changing to a customer-centric approach is like teaching an elephant to dance

In his book Service Management, Karl Albrecht states that transforming into a service-practicing company is difficult.

He states that there are eternal truths about customer interactions with companies.

The 10 eternal truths are:

1. Customers want value, not "customer service"

2. Don't judge small differences

3. Don't deceive your customers

4. Large-scale programs like campaigns fail

5. Customer focus will never happen unless leaders want it to happen.

6. What employees feel, customers feel too

7. Spirit cannot be preserved

8. The manufacturing model won't work

9. Words matter too

10. Success never ends

Service spirit is the most fragile and easily lost asset.