

Are relationships more important than brand quality and price?

By Louise Hefer 18 Sep 2020

I was driving past an informal settlement not so long ago. The vibrant energy that emits from the sidewalks is tangible with the hustle and bustle of street vendors and people going about their daily tasks.



Magda via Pexels

What I always find interesting is the close proximity of each hawker to one another. In this case, I was looking at four hawkers selling similar items ranging from fresh fruits, peanuts and amagwinya to skopas (my personal favourite) while sitting roughly two metres apart from each other.

This made me wonder: in such a close proximity, how do you ensure a person buys your product over someone else's, especially when there's no real differentiation?

Insights on our doorstep

Normally in cases like this, we're quick to look at international case studies and best practices. We call on the big brands like Nike, Apple and Amazon to help us navigate and look at how they might approach certain scenarios. We don't necessarily always notice what's right on our doorstep, pulling insights from people that sit right next to us or that we might come in contact with.

Consumer needs and decision-making processes don't vary from when they buy something from the formal sector to when they buy from the informal sector. I do believe there's a lot of take-outs we can apply across the board, instead of always referring to international best practices. It's important to speak to a few people to try and get some understanding of the dynamics when engaging in such a scenario.

When looking at the hawker scenario, most of the time the starting price for any product is the same between the four different hawkers. So, what then makes a person buy from the one and not the other? It basically boils down to two factors; the quality of the product (especially when it comes to fresh fruits and vegetables), and the relationship with the hawker. We can easily translate this scenario into any environment where consumers have to make purchase decisions.



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Functional and emotional delivery

The quality of a product over another has a huge impact on the decision-making process, especially when money is tight. The product needs to deliver on every cent spent and ensures it doesn't disappoint. Moving from functional delivery to emotional delivery, the relationship a person has with a brand is another important factor to keep in mind.

If they feel comfortable with what you're saying and how you're making them feel, they'll naturally gravitate towards you without thinking about it too much. Yes, price will always play a factor but we shouldn't discount (see what I did there?) the actual product and relationships.

So if you find yourself in a situation where you know there's no real differentiation in the product you offer compared to your closest competitor, and there is no room for improvement on product quality, the last and ultimate chance you might have with a person is based on your relationship with them.

Do they like what you're saying and how you're saying it? Do they feel comfortable in your presence and is there a sense of trust? If you manage to get this right, there's little that anyone else can do to break that bond!

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