

## What Business Are You Really In?? Marketing Myopia Revisited

When I was but a toddler, a very smart Harvard Business School professor named Theodore Levitt wrote a game-changing article called *Marketing Myopia*. He posited that businesses do better when they focus on meeting customers' needs rather than on selling products. Accordingly, Levitt challenged executives to answer the agonizingly simple question: What business are you really in?



His quintessential example of an industry that got it wrong was railroads. While the need for freight and passenger transportation grew, railroads shrank. They wrongly thought they were in the railroad business. They didn't see they were really in the transportation business. Why? Because they were product-oriented, not customer-oriented. As a result, railroad companies let others take their customers away.

Levitt also relates how Hollywood was almost killed by television. Why? Hollywood moguls were myopic, believing themselves to be in the movie business (product-focused) instead of the entertainment business (customer-focused). Now ironically, television is the myopic industry, thinking they are in the business of making boxes, rather than providing entertainment.

Though it was over 50 years ago that Levitt wrote about marketing myopia, I believe product-centric thinking still dominates in business. Consider the record industry's struggle with online music. Or the challenges wireless technology poses to med device companies that think they're in the business of building "boxes." Or how public health needs to rethink its business model in light of social networking.

I invite you, dear reader, to take stock: What business are you really in? Are you intimate with your customers' needs and wants or are you obsessed with your products?



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