chapter

BRIDGE BUSINESS SOLUTIONS

Business Management Software

Marketing for the Reluctant

Marketing generates income. Everything else is cost

Think about this: everything your business owns cost money – property, offices, furniture, computers, software, production equipment, delivery vehicles, everything. . . right down to the office kettle and coffee cups. And they all need money – to maintain, repair, replace. Marketing is the ONLY thing in your business that creates income. All your assets – plant and equipment, vehicles, computers, formulations, trade secrets, technical know-how, you name it – are pretty worthless UNLESS they are being used. Marketing finds prospects, convinces them to trust you, and turns them into happy customers. Marketing keeps your customers happy, and encourages them to spread the word about you. Without marketing you have no business.

Introduction

Why so many marketing initiatives fizzle out, or don't deliver:

- 1. They are poorly planned
- 2. Overly ambitious
- 3. Not followed through
- 4. Not based on accurate information
- 5. Actually a sales pitch, pretending to be a marketing plan

Marketing is NOT something you do just when business is poor. It has to become part of every workday. In fact, it should be receiving priority.

How this manual is going to help you

- + It shows you how to quickly draw the marketing road-map uniquely suited to YOUR business
- → It shows you how to USE this road-map to business success
- → It works. It teaches the basic techniques used by all successful businesses.
- → It's very practical. Written by busy business people for busy business people.
- + It's short and sweet. (We don't get paid by the page, but by results)

Don't Try to Go It Alone

Unfortunately, many business owners try to carry the whole load, not realizing there are valuable support organizations on call. Look for these in the Yellow Pages, or Google "Small Business Development" for your area. Visit your local Chamber of Commerce. Join a suitable business association. Remember – the man who keeps his nose to the grindstone ends up without a nose. Lastly, use specialists. Just find the right one. They're worth their weight in gold.

How to find the right specialists

- Be specific about what you need.
 Tax advice? Accounting? Costi
 - Tax advice? Accounting? Costing? Marketing?
- o Do you need an out-and-out specialist? Or someone who is multi-talented?
- o The best people, for your needs, are usually those with a wide enough field of experience, and also sufficient depth of knowledge in their particular field.
- o Look for people who have qualifications and experience. (in this case, you CAN buy wisdom)
- o Get them to sign a confidentiality agreement before they start work
- If you commission work (research, business systems, applications, etc) make it clear this is "work for hire" and that you retain exclusive rights to the results. (If necessary, get your attorney to deal with this aspect.)
- o Be wary of know-it-alls
- o People with wide "general" experience may be interesting but seldom have the depth you need
- Be wary of those who make unrealistic promises.

Nothing is instant except coffee. And then you still have to boil the water o Don't expect a free lunch. You get what you pay for. You don't work for free, do you?

Last comment: don't discount retired people. They can be an excellent source of practical know-how

Starting a new Business from Scratch

- 1. Identify your customer base, and their needs
- 2. Identify how your products / services BENEFIT the customers
- 3. What do you need to do to make it EASY for the customer to do business with you.
- 4. What do you need to do to MOTIVATE the customer to buy your product

Things to keep on eye on

- 1. Are you keeping current with new marketing ideas?
- 2. Is your customer database WORKING for you?
- 3. Are you creating a niche among your peers (recognition for performance, integrity, etc)?

Marketing Success – the Road is always under construction

Marketing is about effective communication.

Letting potential buyers know you have something to offer is as old as commerce itself. Smoke signals, beating drums, fireworks, graffiti scrawled on walls, circuses, song and dance extravaganzas – you name it – they're all ways of communicating.

With the advent of the printing press, sellers realized that they could use cheap handouts to reach mass markets. Voila – the birth of copywriting, and illustrators. With the invention of radio and TV, sellers could reach millions of people.

However, as buyers became more sophisticated, marketers realized that they needed to identify the people most likely to respond, and started building databases of prospects. However, much so-called "marketing" is still based on the "shotgun" concept – mass mailing and TV advertising are two culprits. Think of all the junk mail that you throw away unread, and how you hate adverts, especially in the middle of your favourite shows. And, things are always changing. We are now in the age of social media – SMS advertising, Facebook, YouTube, Google Ads etc.

However, the basic concepts remain unchanged. **People make buying decisions based on trust**. Trust is created by relationships. So it follows that focusing on building relationships results in a better understanding of the buyer's needs – and better communication by the seller. Customers are not nameless, faceless bearers of wads of cash – they are individuals with unique needs. Successful marketing recognizes this basic fact, and looks to meet those needs.

Exercise

- 1. Remember the last time you bought a car, a domestic appliance, or chose a restaurant. What influenced your decision? (List positive and negative factors)
- 2. If two stores offer the same products, at the same prices, and both are convenient, which one gets your business? (List positive and negative factors)

Comment on Question 2

Nine times out of ten people say "we shop where they are friendly and caring". Studies confirm this. We can cite case after case where people will actually travel further, and maybe even pay a tad more, just because they like the friendliness of the staff, and the feeling that the management actually care. Conversely, we have seen thriving business go into a decline when management changed, and customers no longer felt there was a "relationship" of trust.

Marketing is about building relationships with the right people.

In the following sections, we will identify them, and the ways to communicate with them.

So, the crunch question: let's rate your current marketing. Take a few minutes, fill in the chart below:

Marketing Analysis Chart

Current marketing activities	Effectiveness Rating	Comments	Action

What are you actually Marketing?

Most folk thing marketing is simply about goods and services. However, much more is involved when people make buying decisions. For example: you're hungry. There are two pie vendors. One looks clean and well-maintained. The other looks grubby and run down. Which one gets your business?

Now, try the same exercise again. The one on your side of the street looks clean, presentable. What are your chances of crossing the street to look at the other vendor?

Reverse the situation: the pie cart on your side of the street looks dirty. I'm pretty sure you'll cross the street, just to extend your options.

Notice – the actual pie didn't really enter the decision-making process. You judged suitability based on the seller's image.

From this it follows that you can have the greatest product on earth, but unless buyers are happy with your company (and personal) image, you will battle to make sales. So our marketing plan is two-fold:

- 1. The business itself (which includes the owners, directors, managers, staff, premises, etc)
- 2. The actual products and services on offer.

Marketing the BUSINESS uses similar techniques to that for products, services, but the emphasis is on PERCEPTION. The customer is buying into your company's image, status and reliability. (see Your Personal Brand)

Before people buy a PRODUCT, they need to perceive that it has VALUE.

To make this decision, they need to know all about the product.

This is where you can tell the difference between sellers and marketers:

Sellers	Marketers	
Talk about product features	Talk about benefits	
Often get too technical	Avoid technicalities	
Focus too much on facts	Combine facts with emotion	
Focus on what is important to SELF	Focus on what's important to the BUYER	

We don't want to make this too brutal, but here's something you need to know (and remember) Selling bores people. It's like being with some-one who's pre-occupied with self. People don't like being bored, or pressurized. Misguided efforts to sell backfire - losing market share.

Marketing awakens and stimulates interest. It answers that question: "what's in this for ME"

Marketing Objectives

- Keep your existing customers
- o Expanding business with these existing customers
- Building relationships
- Building your image with existing and prospective clients
- o Creating sustained, profitable growth
- o Offering products / services that satisfy customer needs
- o Defining customer future needs for use in new product development

Getting Started – Defining Marketing Objectives

- 1. ASSESS the current state of your business
- 2. IDENTIY what needs to improve
- 3. QUANTIFY those needs
- 4. PLAN how you can achieve this
- 5. MONITOR, weekly / monthly / quarterly how you are doing

What Does Marketing Involve

- o Products and Services
- o Company image
- o Product image
- Packaging
- o Promotions
- Advertising
- o Delivering
- o Public Relations
- Creating expectations
- Communicating value

- Building relationships
- o Planning, strategy and tactics
- $\circ\hspace{0.2cm}$ Market research pricing, profitability and positioning
- o Market research identifying desires, needs and wants
- o Communication (with public, prospects, customers, suppliers, competitors and staff)
- o Demographics (identifying potential markets, opportunities, threats, strengths, weaknesses)

Your Personal Brand

"Oh wad some power the giftie gie us To see oursel's as others see us! It wad frae monie a blunder free us" - Robert Burns

<u>Rate yourself</u> (Do this twice – how you see yourself, and other people see you) If you're feeling brave, ask a trusted confidant to also rate you. Then put it all together.

Quality	Score	Comment
A good leader		
A good listener		
Adaptable		
Approachable		
Accessible		
Attractive		
Charitable		
Committed		
Compassionate		
Co-operative		
Creative		
Customer oriented		
Don't take self too seriously		
Enthusiastic		
Energetic		
Effective problem solver		
Empathetic		
Ethical		
Experienced		
Fashionable		
Focussed		
Friendly		
Have a good sense of humour		
Honest		
Impartial		
Innovative		
Kind		
Moral		
Neat		
Non-judgmental		
Patient		
Proactive		
Punctual		
Qualified		
Tidy		
Trustworthy		
Versatile		
Well trained		
Wise		

This is also a good time to identify qualities you could work on. Life is about personal growth and improvement. Nothing stands still.

Define your potential Customer

Who are the people that would need your products / services? Don't say "everyone" In marketing it is very true that "those who try to please everyone end up pleasing no-one"

	Relevance	Rating	Key
Age			
Sex			
Location			
Education			
Family			
Married			
Profession/ Occupation			
Are hobbies/recreation activities significant			
Income			
Type of Business			
Company size			
Position			
Decision making influence			
Buying Timeframe			
Previous experience with similar products			
Motivators			
1. frustration about a lack / need / problem			
2. have they already identified a need for this product / service			
Is a referral network needed			
Other factors:			
1. years in business			
2.			
3.			
4.			
5.			
Communication method (personal, phone, fax, email, internet)			
		_	

Define your Ideal Customer

Now rate the characteristics you listed about your potential customers above, assigning an importance value between 1 and 10 (1 = least; 10 = most important). Then select the 10 key ones, and arrange those in order of importance. This defines the companies/people you should be prospecting for, contacting, and aiming you marketing at. Remember, you can only travel one road at a time – trying to reach all destinations gets you nowhere.

If you have identified businesses / organizations, then define which people you need to approach. Remember – buying decisions are made by individuals.

What is Unique about your Product

Follow the same process. List the things you think are important. Then do it again, from your customer's viewpoint. And then get some dependable customers to tell you what they think. You may

want to use a market research specialist for this – remember, the more accurate your data, the more useful it is.

My product/service:

	Relevance	Rating	Key
Is More efficient			
Is Easier to use			
Saves time			
Saves money			
Is More reliable			
Makes work easier			
Promotes success			
Simplifies work			
Gives Best Value for money			
Is Easy to buy			
Is Widely available			
Is Cutting edge			
Uses Latest technology			

How does the Customer Benefit?

Make a list of key features for each product/service.

Then express these as customer benefits.

Use this process: the benefit to the customer is because and

Direct benefits are immediate, for example; "save 33% on your fuel bill" Indirect benefits are "hidden", for example: "never needs servicing", or "24/7 backup"

Again, do this three times – your viewpoint, your customer's perceived viewpoint, and then actual customer input, if possible through a market research specialist.

Use a process of levels to refine your message. Here are some examples:

Product 1: Business Software

Feature	Direct benefit	Indirect Benefit	Additional Benefit
Sortable data	Re-arrange data fast –	Print sorted data from	Instantly spot maximum /
lists	Any way you choose	screen	minimum values
Standard Input	Learn once – use	Consistently save time	No retraining needed
procedure	everywhere		-

Product 2: GasEconoMiser

Feature 1	Direct benefit	Indirect Benefit	Additional Benefit
Reduces petrol Consumption by 33%	Save 33% of your fuel bill	Unit never needs servicing	No installation cost

Remember – benefits are the reasons why people buy things.

Shocking news for the inventors and techno-geeks. A man <u>doesn't</u> buy a power drill because it has a 500watt motor – he buys it because it makes holes. And the same principle applies to just about everything else you care to name. People buy results.

Unfortunately, inventors don't like to hear this. They see problems, and design products to solve those problems. They want to talk about size, power, and technical features.

Example: The manufacturer who wanted to stress that his machine could produce over a 1000 meters of product every day. Now ask yourself, as a buyer – how does that possibly benefit you? Do you even care?

On the other hand, if we had put it this way: "very short delivery times", or "delivered within 8 hours of order" the customer would get an immediate heads up.

Need more convincing? Take a good look at these:

How cars are marketed (minimal technical features – focus is on lifestyle appeal)

How perfume is marketed (zero features – focus is on sex appeal)

How appliances are marketed (focus is on ease of use, safety, durability, savings. See Verimark, etc)

When designing sales aids and advertising, always ask yourself: are we saying what I want to hear, or what the customer needs to hear?

For the Reluctant Marketer - Getting Started

For some reason (fear of failure?) people are very good at avoiding marketing. It's very much the Cinderella of all the business functions. Maybe the reason is that people like to work with things they can see and touch: a new product, piles of goods ready to be shipped, invoices and reports. But marketing is so nebulous – you can't touch it or measure it.

So, people have an ingenious solution: get busy with just about anything else, so that marketing ends up on the back burner. And then they lie awake at nights wondering why they work so hard, and never seem to GET anywhere. Why they can never afford to get away for a desperately needed holiday. Why their competitors, with inferior products, are expanding and making piles of money.

Laws of Return

- o Market to the people who in a POSITION to respond.
- o Communicate clearly, in language your CUSTOMER UNDERSTANDS
- o Tell the customer what HE needs to hear about the BENEFITS of your product to HIM
- o FOCUS
- Supply what people WANT not what you think they want
- o It's always a BUYERS market (controlled by the customers)
- Do some marketing EVERY DAY

What is Unique about your Business?

Buyers want to feel special. They need reasons (not necessarily logical ones) to "go the extra mile" to shop with you, or select you from the Yellow Pages.

So - what do you do for your customers?

Here's the start of a VERY IMPORTANT list. Add to it, edit it, make it uniquely about your uniqueness:

My business:

	Rating	Value to Customer	Comment
Saves you time			
Saves you money			

Improves your productivity	
Gives you the best value for money	
Makes you feel happier	
Makes you feel more attractive	
Is available 24/7	
Puts the latest technology to work for you	
Has a prestige image	
Has the shortest response time	
Always has standby units available	
Reward you for referrals	
Is the friendliest	
Treats you with respect	
Is exceptionally honest	
Helps you control your paperwork	
Does the jobs you don't like doing	
Can customize to your specific needs	
Doesn't charge for delivery	
Only stocks the latest	
Imports the best	
Offers the best guarantee/warranty	
Gets you instant results for	

Define your company USP

Now take your list, and distill it down to one single sentence. This is what you would use on your business cards, stationery, and as a key element of your Web site and other advertising. PS: Don't expect to get it right in five minutes. Like making perfume, the art of extracting key ideas takes patience. Keep at it.

Why is Relationship Marketing Effective

In a nutshell, it creates happy, satisfied customers, with a positive viewpoint towards your products and company.

Relationships are created BEFORE, DURING and AFTER the sale

Let's put it another way. If the customer feels "ripped off", "short-changed", or "deceived", then the seller has major problems. Unhappy people tell other people about their experiences. This creates negative image perception. And, since bad news travels faster and wider than good news, the ripple effect can be immense. Even big companies get this wrong – instead of making their customers happy, they try to "buy" their way out of trouble by mass advertising. They, of course, have deep pockets.

Earlier one, we mentioned the importance of good, old-fashioned friendliness towards customers. Here are actual comments by customers about businesses in our area:

The negatives:

I don't go there - the staff look you up and down, no-one want to serve you

The manager is abusive. I will never go back.

They don't listen

They don't respond to phone calls

Is it significant that all these comments were made about companies that have either closed down, or are in trouble?

The positives:

They make me feel like a friend
They serve promptly and with a friendly smile
The manager takes the time to chat for a few minutes.
Any problem is sorted out quickly and courteously

Is the Customer Always Right?

In one business we researched, the management and staff had a definite problem with customer relations, with very poor ratings when it came to qualities like friendliness, optimism. They also had the most complicated and one-sided "Business Agreement and Service Warranty" that I have ever seen. It actually offered the customer very little in terms of value and re-assurance. The "explanation" was that over the years, there had been so many "negative" episodes with clients, that they almost expected things to go wrong, so the "Agreement" was in place to protect the business.

Fair enough, this was the construction industry, where things have a way of getting out of control. Even so, we were curious. Their competitors were dealing with the same people – and doing quite well. What was the real problem?

Evidently, it was a matter of perception and attitude. We can negatively stereotype people, and interpret even innocent behaviour in a negative way. Suspicion begets suspicion. Positive communication engenders positivity, negative communication creates hostility, and lack of communication creates a void where doubt and insecurity take root.

The customer is not infallible, and not all customers are perfectly honest. Even so, the customer is always entitled to courteous, considerate, professional service.

Both customer and supplier need to feel there was a win-win result.

Test yourself – what makes you feel good when you go shopping: (I made some suggestions to get you started. Please expand the list as far as possible)

Qualities / treatment	Why it's important	How does it apply in your business
1. Courtesy	Creates positive feeling of respect	We must create a culture of courtesy from management down
2. Friendliness		
3. Cleanliness		
4. Honesty		
5. Humour		

What is Trust, and How to Build It

In the dictionary, trust is defined as "firm reliance on the integrity, strength, ability, surety of a person or thing, confidence in a person's honesty and reliability, confident expectation of something."

For president Nixon, the writing was on the wall when posters started appearing with the words: 'would you buy a used car from this man?' A masterstroke of "negative" marketing, this tapped into people's feelings about used car dealers, and the unreliability of politicians, and went on to become a popular expression used to describe any untrustworthy character. Loss of trust also cost him his political career.

However, people are not really interested in definitions. What they want to see are actions. As the Russian saying goes, "don't trust a man's mouth – watch his hands"

J Cassell & M Bickmore make the point very powerfully: "When we do not trust, we neither believe what others say to us, nor can we learn from them; we neither engage in financial or emotional transactions, nor allow ourselves to disclose personal information."

The same researchers go on to make the point that language is full of metaphors describing trust, or lack of it. Some examples: "he looked me right in the eye", "wide, trusting eyes", "we worked shoulder-to-shoulder", "service with a smile", "he went behind my back", "I was stabbed in the back"

So, what sort of behaviour convinces you that someone is trustworthy? (And no stress - this one had us scratching our heads, looking for the right words). For one thing: It's easy AFTERWARDS to say someone was trustworthy or not – but how do we build trust?

Again, Cassell & Bickmore make the point that we learn trust in the family. Children learn they can trust their parents, and they want to be trusted by their parents, so they act appropriately. This continues on through school and higher education, into the bug world, and all our "other" relationships, with our dentist, doctor, the computer guy, our spouse or life partner.

"Trust among humans depends on credibility, believing one another, confidence in one another's judgment, and believing that other people's actions fit our own schemata of how to act." People build common ground through interaction rituals: greetings, small talk, and leave-takings.

In other words – before you can get to someone's vote of confidence, you have to prove yourself in the preliminaries.

			T
Actions / characteristics	Why it's important	Rate	How does it apply in your business / life
		yourself	,,,,,
F		yoursen	
Eyes			
Face			
1 466			
0 11			
Smile			
Greeting			
Voice			
Handshake			
Posture			
Attitude			
Attitude			
Verbal			
Other			
Punctuality			
Reliability			
Honesty			
Tionesty			

All of which explains why people still like to hold initial meetings in person – look one another in the eye, shake hands, watch people in action making presentations, demonstrating products and so on.

Before we move on, a question for business owners and managers. Do you routinely make a point of meeting with customers on the shop floor, getting to know them, maybe exchange a few pleasantries. Or are you always "unavailable", "too busy", or "in a meeting"?

Sure, meetings are important, managers do have a lot on their plate, but I can only repeat what a self-made millionaire told me many years ago: "young man, if you are too busy to greet your customers, then sooner or later your customers will be too busy spending their money elsewhere."

Activity: go back, and redo the activity: Marketing Analysis Chart.

What Do People Want

- ✓ Believable information
- ✓ Consistency
- ✓ Convenience
- ✓ Delivery on promises
- ✓ Dependability
- ✓ Freedom from risk
- √ Happiness
- ✓ Honesty
- ✓ Instant access to information
- ✓ Popularity
- ✓ Professionalism
- ✓ Reputation
- ✓ Results
- ✓ Safety
- ✓ Savings in time and money
- √ security
- ✓ Solutions to their problems
- ✓ Style
- ✓ Success
- √ Value
- ✓ And a significant percentage (around 15%) also enjoy bargain hunting for the lowest price

If your business is going to simply rely on low prices to bring in customers – you're very vulnerable. For one thing, you're not building customer loyalty. For another, the other 85% of the customers that are not inveterate bargain hunters are an untapped market that your competitors are busy tapping into. Plus, you are building the very image you probably DON'T want – cheaper, instead of **better**.

References: (original article can be found on the Web)

1. External Manifestations of Trustworthiness in the Interface. Prof. J. Cassel & T. Bickmore; 2000