
YOUR PLACE IN THE MARKETPLACE

A SIMPLE GUIDE TO YOUR
SMALL BUSINESS

MARKETING PLAN



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Greetings:

Middle Tennessee State University's Tennessee Small Business Development Center (TSBDC) program is the premier provider in Tennessee of business technical assistance and training. Our business development services are provided through a network of 20 locations across the state all in an effort to enhance economic development for our state while growing our small businesses.

This publication is provided by the TSBDC for your use to enhance your understanding of the subject matter and thereby increasing your business development opportunities. For further information regarding additional resources, our training calendar or to schedule an appointment with a business counselor, go to www.tsbdc.org

Regards,

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GOT A GOOD PRODUCT? A GREAT SERVICE? UNFORTUNATELY, THAT'S NOT ENOUGH.

Smart, targeted, relentless marketing is often the difference between a business that has reached a plateau and one that has reached its potential. Savvy entrepreneurs who respect the power of marketing think of it as an investment rather than an expense, and devote money, time and energy to their marketing goals.

In simple, easy-to-understand language, this book aims to empower business owners to market smarter, using both digital and traditional methods. It's a basic framework for "selling" your company to today's educated, savvy consumers in a crowded, dynamic marketplace.

Whether you're a retailer or a manufacturer, whether you sell a product or service, whether you operate from a storefront or a mobile platform, whether your audience is local or global - there are overreaching principles that apply to every circumstance.

In a world is spinning faster than ever - propelled by industry trends, consumer sentiment and the economy - think of your business as a video rather than a photo. Start with a plan, but don't be reluctant to tweak it! Smart marketers remain nimble in order to remain vital.

HERE'S WHAT'S INSIDE

The 6 Ps are the building blocks of a solid marketing foundation.

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Plan

MARKETING YOUR SMALL BUSINESS MAY SEEM LIKE A DAUNTING TASK, BUT LIKE ALL TASKS, THE FIRST STEP IS TO FORMULATE A PLAN.

Remember that lenders look closely at your marketing plan in relation to your financial statements. Designate a specific amount of money in the yearly budget for marketing. Keep in mind that new businesses often require more marketing dollars to establish themselves than established companies.

A Goal Isn't a Goal Unless You Write It Down

To make marketing real, start by physically setting yourself up. Organize a system of clearly titled files, whether paper or digital. As you begin to think about your plan of attack and your goals, always record them.

Now, respect your plan and chip away at it. And when you're feeling overwhelmed, it helps to focus your energy. Designate one thing on your list to work on, cross it off - and your sense of accomplishment will fuel you to tackle the others.

Without a Target, There's No Bulls Eye

No doubt, you've heard the phrase "target market." So what is it? In a nutshell, formulate a clear description of your customer. What do they want? How do they shop? What matters to them?

Imagine logging on to a women's fashion website. The first click brings you to a bold array of "club attire" - youthful, provocative and maybe a bit impractical. The next click shows you lots of mom jeans, with enough pockets to hold a pacifier, tissues and the keys to the minivan. Wouldn't you be confused, and less likely to look further? It would be clear that the company gave little thought to you, the consumer.

So refine your product or service with discipline. While it may seem like you're narrowing your audience, you are really expanding potential, because segmented markets produce the greatest sales potential. Put another way, don't try to be all things to all customers.

Finding Your Customer

You must think constantly about who your customers are. In what ways will they use your product or service? How often will they buy? Think about their age, income, gender, education, marital status, profession, lifestyle, hobbies and household size. In short, put yourself in their place.

If you're targeting businesses, the good news is that there's extensive data readily available, to better understand their size, annual sales, number of employees, locations, competition and "busy season." Trade associations and their publications offer you context, but oftentimes, the government's sites are a gold mine of information and statistics.

Treasure Your Existing Customers

All too often, small business owners make the mistake of marketing to attract new customers. But what about the ones you already have? They're already "sold" on your company, so don't forget to let them know how much you value their business.

Keep a detailed list of your customers and study it. Break the list down however you like: by sales volume, buying frequency, etc. Review patterns. If a customer tends to buy heavily in the spring, contact them in March. If another customer hasn't ordered in a while, contact them tomorrow morning!

Product

WHEN DESIGNING AND MARKETING YOUR PRODUCT OR SERVICE, YOUR FIRST QUESTION SHOULD BE, "WHAT'S MY USP?"

Your **Unique Selling Proposition** is what you have that your competition doesn't. Ask yourself, "Why would a customer buy from me and not my competition?" Make your **USP** the foundation of your marketing efforts, as it will underline the need to make your product or service stand apart.

Differentiation

A thorough understanding of how your product is different or better compared to your competitors allows you to compete through differentiation. But what if your product or service really isn't so different? Keep in mind that a company differentiates itself when prospects and customers perceive it to be different. How can you create this perception?

Be New

There can only be one "first," so claim the position, if you can.

"We're the first store in town to eliminate single-use plastic bags."

Be Improved

Always striving to be better says a lot about you.

"We've just added gluten-free goodies to our product line."

Be Creative

Sell the same products in a brand new way.

"Let us design, host and maintain your website - for one low price."

Staying Flexible Is Part of Growing

In order to stay vital, most businesses have to practice fluid thinking. Revising, adjusting and improving to meet customer needs will keep you current. If a particular product isn't selling, why offer it? If another product is selling well, expand on it.

Take the example of The Mouse Trap, a small business that custom builds computers and sells them in a retail space. After answering a constant stream of similar questions from customers, the owner became increasingly aware that computer classes would be a perfect complement to his already-successful business. A few weeks later, he was offering online classes to customers willing to pay handsomely for "tutoring." He was nimble enough to expand his services to meet customer demand.

Discovering Your Features & Benefits

All products and services have features and benefits. Features are characteristics that translate into benefits. Features are easy to point out, but to identify benefits, think like an end-user. The most powerful benefits create emotional or financial rewards.

FEATURE	BENEFIT
An attached pump on an air mattress	Takes the work out of making a guest bed
Delicious low-fat cookies	Feeling healthier and thinner
Free shipping on all orders	Saving money

COMPETITION: KNOW WHAT YOU'RE UP AGAINST

In a highly competitive marketplace, how can you offer customers something different or better if you're not aware of your competition? Don't just compare obvious things like product and price. Compare yourself to their quality, promotion, perceived value, flexibility, prestige, knowledge, innovation, reliability, availability and social media presence.

Ask yourself:

- Who are your closest competitors?
- Are these businesses growing or shrinking?
- Are they "brick" (with a physical presence), "click" (with an online presence) or both?
- What are their strengths and weaknesses?
- How are their products or services the same or different than yours?
- What are their sales strategies?
- Who are their target markets?
- How do their prices compare to yours?

Information Is Power

There's no rule against doing a little investigating to explore the field you'll be playing on. Where can you gather data on your competition?

- Do an internet search
- Log on to their websites
- Follow their social media
- Read industry/trade publications
- Attend trade shows where competitors exhibit
- Review their ads and where they're placed
- Sign up to receive their emails
- Read their blog
- Visit competitors in person

Little Things Count

Any opportunity you can seize - or create - to promote your business deserves consideration. Be relentless and creative, remembering that little things can equal big impressions.

- Suppose you're a tax accountant who automatically knows the birthdate of every client. A card, text or email on their special day will go a long way toward building customer loyalty.
- If you own a windshield repair service, make sure that every car you service is vacuumed and given an air freshener.

Service Is Everybody's Product

All the marketing in the world can do but one job: bring customers to you. What you do with them after that is your choice. Your corporate culture or the standard of behavior you set for your company is key. Are salespeople as friendly on Friday as they were on Monday? Are emails and phone calls answered quickly? If it's appropriate, do you follow a sale with a thank-you text or a short note? The way your business "behaves" is marketing in action.

YOUR MARKETING BUDGET: HOW BIG SHOULD IT BE?

Because marketing needs and costs vary widely, there are no simple rules for determining your budget. A popular method is to allocate a percentage of gross sales (typically 5% to 15%) for marketing. (But launching a business, introducing a product, or designing a website will likely demand a larger financial commitment.) Another method is to estimate the competition's budget, then use it as your guide.

Once your marketing plan is complete, break down the costs of each activity to arrive at a grand total. Adjust, if necessary, to stay in your comfort zone, but having a "hard number" will help keep things on track over the course of the coming year.

MAXTRONICS, a retailer of electronic games with three locations, might have a Marketing Budget that looks like this:

Direct mail printing.....	\$5,000
Direct mail postage cost	\$2,000
Web site development	\$7,000
Ads on social media sites.....	\$12,000
Pay-Per-Click advertising.....	\$12,000
Development of ads.....	\$3,000
Ad space in local magazine	\$3,000
Sponsorship of "Today's Gear" radio show.....	\$2,000
Booth at Teen Expo.....	\$3,000
T-shirts/temporary tattoos.....	\$1,000
TOTAL MARKETING BUDGET	\$50,000

Price

NOTHING IS MORE IMPORTANT THAN THE PRICES YOU GET FOR YOUR PRODUCTS OR SERVICES.

You must offer them at prices your market is willing to pay, yet ensure that you make a profit.

NAME YOUR PRICE

Fair pricing is a delicate balancing act. Charge too little and your profits are too low — charge too much, and your sales go down. So how do you determine a fair price for your product without pricing yourself out of business?

Think of your cost (what it costs to offer your product or service) as the floor, and your product's perceived value (what you sell it for) as the ceiling. Somewhere between the two is the right price — the price that seems fair to your customers and brings you a profit.

REACHING THE BREAK-EVEN POINT A company is at the break-even point when it has neither a profit nor a loss. For example, if it costs you \$500 to produce a product and you sell it for \$500, you are at the break-even point — with \$0 profit or loss.

WHAT WILL THE MARKET BEAR? How much are your customers willing to pay? For example, the \$20 cell-phone cases a company produces are a top seller at \$20. They raise the price to \$25 and sales plummet. The good news is, they know what their market will bear.

A BIGGER PICTURE Sometimes it's more important to consider a product's total contribution to profits, rather than what it's sold for. For example, the owner of a coffee shop wants to sell a popular new frozen drink, which costs him \$1. Based on his location, the income level of his customers and his good research, he believes \$5 would be too much. He sets the price at \$3, making it more likely that his customers will buy a muffin, too. He has considered the drink's "total contribution."

PERCEIVED VALUE Determining a price for your product is based on many factors, but don't forget to consider perceived value. Suppose you were asked if you'd pay \$40,000 for a car. Your first response would be, "What kind of car?" This simple exchange illustrates the two main ingredients in the pricing pie: what you expect to receive vs. what you will pay

GO LOW A low-price strategy gains price-sensitive customers, allowing you to create awareness and establish your business, but make sure you're producing a profit. If your prices cannot be the cheapest, convince customers they're getting something special for the extra expense.

VALUE-BASED PRICING goes beyond a standard mark-up method, allowing you to think about your business from the customer's perceived value of your product or service. What benefits does it afford them? Is it in demand? You can certainly factor in your company's image, reputation and packaging, too.

WHAT IF You may consider pricing that reflects more than your costs:

- If your service offers an added value (*free pick-up and delivery of printing projects*)
- If your product is unique (*one-of-a-kind embroidered baby blankets*)
- If your target market can afford it (*in an affluent community*)
- If you're offering something exclusively (*spices from India only you carry*)
- If you have a great location (*right on the boardwalk at the beach*)

GIVE THEM A BREAK Consider offering cash discounts to customers who pay promptly, since they help you maintain a positive cash flow. Offer quantity discounts on large orders, since the cost-per-unit to sell or deliver your product will likely go down.

PRICING IS NOT FOREVER As your business grows and changes, be sure to fine-tune your prices. The factors that determine the price of your product — cost increases, seasonal demands, product upgrades — change. While you don't want to confuse your customers with constant price adjustments, don't be afraid to revisit the math regularly to make sure you're still turning a profit.

AFTER THE SALE Don't forget to factor in what it will cost to service the customer after the sale. Do you provide technical advice, maintenance, returns or exchanges? All these costs should be included in the pricing mix.

Promotion

CREATING EFFECTIVE ONLINE ADS, MAINTAINING YOUR WEBSITE AND ENGAGING CUSTOMERS VIA SOCIAL MEDIA IS CHALLENGING. BUT, ARMED WITH A FEW BASICS, YOU CAN HAVE FUN PROMOTING YOUR COMPANY.

Promotional materials serve as “reminders” of the benefits of your products and services. Every piece of promotion you do is another step forward. Each one encourages existing customers to buy more and attracts new customers. Hiring graphic designers, copywriters, web developers and email marketing companies to promote your business gives you a polished image.

Remember, growing a business takes time, perseverance and consistency.

WHAT MAKES GOOD COMMUNICATION?

Back Into Your Message

Smart communication isn't what you want to say, but saying what your audience wants to hear. Make it your business to find out what that is, and then speak to it.

Less Is More

Trying to crowd every point about your product into one website page or a single email is a great way to make sure none of them gets through. Exercise restraint constantly, highlighting one main message - and maybe another one - at a time.

YOUR IMAGE

Your Name

Marketing starts with your company's name. Because you're a consumer yourself, you know that it's a big task to get consumers to remember a name, so name your company something simple and memorable. Make sure your name is available as a website address by simply typing it into your search bar, to see the result. An attorney can check for registered trademarks. Contact your Secretary of State's office to see if a company name is being used in your state.

Your Logo

A company's logo - the symbol or that represents the business - is the very foundation of your image. A logo can be a symbol, or a well designed “type treatment” of your company name. Either way, it should be easy to recognize and read, even when it's shrunk down on a business card. Color helps to brand your company, and once you settle on colors, “own” them by using them consistently. Put your logo everywhere - on your products, signs, business cards and stationery.

Your Tagline

A company slogan isn't always necessary, but in some cases, it's crucial. Suppose your business name is Top-Notch Restoration. A consumer's first question would be, “What kind of restoration? Furniture? Cars? Victorian homes?” In this case, the need for a line of explanation is undeniable. Five words - “New life for old boats” - complete the company's name masterfully. Remember, slogans should be short and memorable.

Your Packaging

Suppose someone handed you a brown paper bag with a gold watch inside. Now imagine getting that same watch in a sleek black velvet box. Pay careful attention to presentation and packaging at all times. If you deal with the public, make sure everything they see - website, menus, product inserts - reflects your image in a positive way.

DIGITAL MARKETING

Digital marketing uses any device, from cellphones to computers, that accesses the Internet to connect you with prospects and customers.

No matter what kind of product or service today's consumers are looking for, they will likely use digital technology to find you - and your competition.

Consumers are information seekers, buyers and review writers.

So having a powerful and flexible online presence is mandatory.

WHAT ARE THE GAINS OF DIGITAL MARKETING?

BUILDING brand awareness, inviting customers not just to learn of your existence, but to investigate almost every aspect of your business.

EXPANDING your customer base because of digital marketing's worldwide reach. Your business can be local, regional, national or global.

GATHERING valuable consumer information, learning about your customers' needs, preferences and buying habits.

RETAINING business for the long term, as you increase the frequency with which customers engage with your brand.

THE BIG THREE OF DIGITAL MARKETING

Your digital marketing media choices can be separated into three distinct categories:

OWNED, EARNED and PAID.

Don't make the mistake of concentrating on just one.

All three must work hand in hand.

OWNED

Owned Digital Media

generates content that you create. Your company's website is the cornerstone of owned media, kind of like "home base" for your digital brand. Most of your marketing should focus on driving traffic to it. Don't make the mistake of thinking that it needs to be complex!

FIVE THINGS ABOUT YOUR WEBSITE THAT SHOULD "CLICK"

1. There are viable companies that will help you create a "do it yourself" website, but if it's possible, hire a professional designer/web developer, and even a writer. The "end product" will make you look professional and worthy of a client's business.
2. Make sure your site is registered with major search engines, like Google, so it appears when someone does a search for your product or business. Monitor review sites that are free (like yelp.com) and paid (like angleslist.com) for feedback that is honest and valuable.

3. The Internet is all about immediacy, so don't make the mistake of thinking of your website as "done." The nature of digital marketing is kinetic, so managing it is an important component on your site. Simply put, it allows you to update, revise and change content. Why is this important? Imagine the "bad business" when a customer places a sizeable order from an expired price list. Or suppose you're a kitchen design and build company, offering a free workshop to potential customers. A visitor is very interested, clicks the "sign me up" link, and discovers that it took place three weeks ago. Not only did you lose a potential customer, but it gives the impression that "nobody's home" at your business.
4. Constantly try to capture and engage potential customers. Give visitors a place to sign up for promotions and emails, then entice them with special offers, exclusive to them.
5. Designate someone - and in most cases, that's you - to keep the website fresh and current. This will likely be the person who also manages your social media postings (see page 10). Digital marketing needs constant care, so don't discount the importance of these tasks!

MORE TIPS ON OWNED DIGITAL MEDIA

The T.E.A.M. Approach – Tweak, Evaluate, Assess and Measure

You've done lots of work to create a website, so now what? It's been stated before that digital marketing must be fluid and always in motion, so it's imperative that you know what is working, and what isn't. Google Analytics is one of many tools available to you when monitoring your website.

Some of the invaluable feedback you can receive tells you how many visitors your site has, which pages they're going to and how long they're spending there. Suppose you've sent out an email, and the recipient follows the link to a relevant page on your website. That's good news, right? But what if they spend only a few seconds there before "bouncing away?" Knowing your most popular pages, and the pages where most visitors exited your site can be marketing gold.

Market to a Mobile Audience

Your consumers are on their phones a lot (most?) of the time, so that's where you should be, too. When your customers opt into an automated messaging system, they agree to receive messages from you on their phones. For example, mobile messaging can be used to remind recipients of appointments, report the status of orders and shipments or announce that a back ordered item is now available.

Short Messaging Service (SMS) is the most widely used form, but is limited to 160 characters. That means that longer messages must be split into two or more texts. Multimedia Messaging Service (MMS) lets you include pictures, video or audio content. There are lots of mobile messaging apps available to you, so start searching for the one that suits you best.

Never Be Content with Content

Creating, publishing and sharing news and information to increase your brand's visibility is known as content. Great content, along with keywords, engages readers and builds loyalty. It should peak their interest about your product, and provide a method for engagement. What kind of content can you create? Social media posts, articles, e-newsletters, videos, podcasts, blogs, webinars, events, whitepapers, demos, photos and illustrations, to name a few! Adding content on the Internet improves your ranking on Search Engine Results Pages (SERPs).

Use Social Media for Good

If websites are a one-way street (information "flows out" to visitors), think of social media as a two-way street (visitors contribute, participate and interact). There's no need to be intimidated by this powerful tool, because it offers rich opportunities. Used with thought, it can be a technology toolbox to help you gain, engage and keep customers.

Major social media platforms – like Facebook, Instagram, LinkedIn, Twitter, YouTube and Pinterest – offer you an incredible number of potential customers. But don't make the mistake of signing on to every platform. Choose which media channels are the most relevant to your business, then make a pledge to be an active participant. Set guidelines (i.e., two posts per week) with reminders to keep you true to plan. Encourage online reviews by adding links in your emails, and signage in your physical location, but you must respond quickly to both positive and negative comments.

Add Some Energy to Emails

Emails don't have to consist of a paragraph or two of text, and they definitely should not be sent only to "sell." Rather, use emails to announce industry news, highlight a new blog post, introduce a video or invite recipients to your podcast. Keep the content short and to the point, and you'll get far fewer "Unsubscribes."

When emails are graphically designed, using color, photographs or illustrations, readability rises. Email marketing companies (like Constant Contact) can change the game in this regard – and provide valuable analytical information, like how many people opened your email and how many clicked through to your website (or other destination).

EARNED**Earned Digital Media**

gets you “free” publicity through promotional efforts.

It cannot be bought or owned, just gained organically, when your content earns recognition and followers in a more natural way, through social media or word of mouth. Mentions, reviews, shares and reposts are all valuable components of earned media. When customers and the public share your content, they lend a great credibility to your product or service.

SEOs

Getting search engines (like Google) to recognize your website for its relevance to searches – and appearing in the highest possible “results position” – has everything to do with SEO or Search Engine Optimization. Content can be optimized in many ways:

- Use highly relevant “key” words and phrases in the copy
- Post to social media on a regular basis
- Keep your blog active, consistent and current
- Urge your web developer to handle codes in a way that will optimize searches

To understand the importance of search engine optimization, let’s say your company manufactures historically accurate windows. A potential customer, who lives in your city, wants 28 windows for her Victorian home. Her search leads her to a company with lesser quality windows, located 80 miles away. Why didn’t you appear at the top of her results list?

Claim Your Rightful Spot

“Claiming” your company on local search directories, like Google and Yelp, simply means registering it with them. Create a business login, and you’ll be able to respond to reviews with a direct message or a public comment. You’ll be able to track user views and customer leads, as well as update important information in real time if, for example, business hours change.

Using Social Media to Earn Media

Regular posts that are short, concise and not too “hard sell” are a great way to earn media. Photos always get the most shares, so don’t limit yourself to words. Always read the comments people make, and respond politely and positively. Their suggestions should be the launching pad for your next post. Encourage friends, family and followers to share your posts.

PAID

Paid Digital Media includes online ads you place, with the purpose of generating “click-throughs” to your

website, or other designated destination. The cost depends on the number of “click throughs” and can vary according to where you advertise. There are numerous terms used for this method, including Cost Per Click (CPC) or Price Per Click (PPC) or Click-through Rate (CTR).

Every Click Counts

Every time someone clicks your online ad, they are sent to your website, or in some cases, to a separate landing page set up specifically to receive and measure these clicks. You pay per click, but you should know that searchers click on paid search ads more often than any other form of digital advertising. Why? Because the product or service being advertised is highly relevant to their needs. When your Pay-Per-Click campaign is well designed, the cost will be easier to absorb.

Leave an Impression

An “impression” refers to an ad being loaded and displayed in front of a user, even if it isn’t clicked on. In short, it’s the number of times users saw (or were exposed to) your post or story. The price you pay for impressions varies, but usually you are charged “per thousand impressions” on one web page.

What Is Your Cost Per Conversion?

How much does it cost you to convert a site visitor into a sale? Google Analytics can provide your CPC, but let’s be clear on the definition of “sale.” It does not always require money to change hands. Conversions can mean different things, like making an appointment, subscribing to an e-newsletter or downloading some content.

Can Social Media Marketing Pay Off?

Yes, it can! Sites like Facebook, Twitter and Instagram offer ad opportunities, with varying costs. Your goal should be to produce content that users will share with their own network, picking up comments, clicks, shares, likes and retweets along the way. They all expose your brand to a broader audience, while strengthening recognition and loyalty.

TRADITIONAL MARKETING

DIGITAL MARKETING CAN BE AN EXCITING FRONTIER,
BUT THE FAMILIAR TOOLS OF TRADITIONAL MARKETING
SHOULD NOT BE UNDERESTIMATED.

The good news is, you do not need to choose between the two!
You can maintain a social media presence *and* run ads in the local newspaper.

Through trial and error, you'll find the right mix to suit your business,
but don't spread yourself too thin. Each marketing method demands your
ongoing commitment of time, energy and financial resources.

Be cautious, patient and stay the course.

Printed Material

If it's on paper, it's an important piece to your image puzzle. Ads, direct mail, brochures, flyers, business cards, letters – even invoices – all represent your brand, so make sure they look professional by using a professional. Elements that should always be unchanged include your logo, colors and type font, which speak directly to the personality of your business.

Print ads should be visually impactful, which requires editing. Choose a clear, easy-to-understand photograph, with short, targeted copy that avoids boring clichés (“We offer quality service at affordable prices”). Always end with a friendly invitation to your website.

It may take trial and error to find optimum ad placement and frequency. Suppose you run one large ad every quarter, with weak results. Why not try placing smaller ads every month?

Direct Mail

Today's savvy consumers can pick out “junk mail” instantly, so preface your mailing with some calculated thinking. Keep in mind that a 2% response rate (20 responses from 1,000 pieces) is the norm. Three factors will impact your success rate:

- 1. THE LIST** You can rent or buy databases for just about any audience, but aim to be specific. Are you targeting a particular age group? Families with children? Households with a certain income? If your business is open to the public, you could develop your own list. Keep a sign-in book or a bowl for business cards.
- 2. THE OFFER** Including an offer is almost a given, so decide what that will be: “Bring in this postcard for a 15% discount!” or “Order online all this month and shipping is free!” Ask yourself if the offer is enough to motivate a sale. Be sure you can deliver on it, because even a few unhappy customers can make lots of noise.
- 3. THE CREATIVITY** Whether you send a supersized postcard (like a mini billboard) or a traditional letter (more personal), make it clean, simple and focused. Don't try to include too much information. Ask yourself, “Would I read this or toss it?”

Merchandising

Think of all the T-shirts and baseball caps you see with big company logos on them. Big companies use their customers as walking billboards. Ideas for merchandise include letter openers, mouse pads, notepads and (if your budget allows) baseball caps and T-shirts. Give away merchandise at trade shows, events, or after a sale or order. Start with small quantities, keeping your costs low.

Trade Shows

Here's a powerful, concentrated marketing medium that brings together not just your customers, but your competition, too. What a great way to show your product or service in person, shake hands with suppliers you've only spoken to and meet potential buyers.

Find out which shows will serve you best. Which ones do your competitors go to? Carving out a budget is key, because you'll have to create and ship booth materials, plus develop handouts or giveaways. If you can't afford all this, consider just attending (not exhibiting at) a show. You'll come away feeling much more in touch with your industry.

Referrals and Rewards

In simpler times, people shared information with friends and family. But today, through digital media, they share it with tens of thousands, worldwide! So yes, the bar has been raised. Studies have shown that potential customers take word of mouth very seriously, so don't dismiss this powerful element. How can you turn it into a tool? Consider referral programs: "Tell someone about our great service and if they sign on, we'll send you a \$50 gift card!" A program like that not only brings in new customers, but fortifies the loyalty of existing ones.

Sponsorships

Lending your company's name to community events is a great way to gain exposure, whether the events are social (like a chili cook-off) or charitable (like a five-mile walk for Autism Awareness). Your contribution doesn't have to be financial. You can donate a product to a silent auction or provide volunteers (all wearing your T-shirts) for a food drive. The benefits of sponsorship include giving back to your community, bolstering your company's good name and boosting employee morale. It's a solid win, all the way around.

Radio

Before adding radio into the mix, make sure your target audience is listening. Ask the sales rep from the station for a breakdown of their demographics: who is listening and when. If there's no budget to hire a writer, most radio stations can provide everything from copy to voices to production. Aim for a radio spot that isn't just 30 seconds of words, with a web address at the end. Instead, ask for sound effects, music, unforgettable voices or an interesting scenario. And radio is a perfect place to use a slogan or tagline. The more spots you buy, the better the price will be. Ask when the ads will run, and listen for them.

Television

Throwing your hat into the TV arena is relatively expensive, but can be effective in establishing a presence in the marketplace. Ask local TV stations, both network and cable, about packages they offer. Often, when you buy "time" on a station, they'll produce (write, shoot, voice and edit) your TV spot as part of the package. But be sure you are reaching who you need to. If it's in the budget, hiring a media buyer can be very helpful.

Place

THINKING CREATIVELY ABOUT WHERE TO MARKET SHOULD BE A TOP PRIORITY.

Always think of places to reach an audience where you'll have the greatest impact, as well as how your product will get to the customer. You do not need to distribute your product using just one channel. Settle on a mix that works well for you.

METHODS FOR REACHING YOUR CUSTOMERS

SELLING DIRECTLY TO THE END USER means ordering products directly from a manufacturer or distributor, keeping them in stock until you receive an order. You're responsible for storage, bookkeeping, shipping and handling, customer service and marketing. Advantages include being able to ship orders immediately, having control over customer service and gathering customer information for future marketing. The disadvantage is that you tie up money in unsold inventory. Who will help your customers with information requests, orders, status inquiries and returns? Will you allow customers to pay you at a later date? In 30 or 60 days?

SELLING TO A WHOLESALER A wholesaler will buy a large quantity from you, to resell at a profit. The wholesaler handles the shipping and storage, taking a percentage of the final sale.

SELLING THROUGH A MANUFACTURER'S REPRESENTATIVE A rep will sell your product, along with those of others in the same business, for a commission.

SELLING BY CONSIGNMENT A consigner or drop-shipper sells your product and the sale price is divided. For example, they may sell your product for 40% of suggested retail, plus another 10% for drop-shipping services. Most drop-shippers allow you to send them your labels and forms, so the package looks like it came from your company. Be prepared for lower profit margins and investigate their customer service to be sure it's up to your standards.

SELLING ONLINE This is like operating from a virtual "mail-order storefront".

SELLING VIA OUTSOURCING It's entirely possible to run a business that outsources everything to a "fulfillment house." For a percentage of each sale, these houses handle some or all aspects of getting product into the customer's hands, from processing credit card payments, to packing and shipping, to customer care. They'll warehouse your inventory, order replacement products from you, and provide the Internet shopping cart on your website.

The Power of Partnership

Joining forces with other businesses - even if their product is very different from yours - can be mutually beneficial to all involved. The Internet makes partnerships seamless, with links that connect websites instantly.

- A phone service provider offers new customers a free pint of top-brand ice cream every month for a year
- A carpet retailer offers a gift certificate to a housekeeping service with every purchase over \$1,000
- A busy travel agency includes a link to a pet-sitting company on their website

If you think a partnership might work for your business, approach the idea with professionalism and a well-thought-out plan. Find out the name of the right person to approach, then, make a presentation that emphasizes the benefits your potential partner will enjoy.

Performance

MEASURING THE EFFECTIVENESS OF YOUR MARKETING MAY BE CHALLENGING. BUT IT'S INVALUABLE.

Let's say you've had a great year, and profits are way up.
Is it because of the economy? Word of mouth? The time of year?
Would profits have grown if you did more marketing?

Tracking Your Results

Understanding the most you can about your marketing and your customers doesn't just translate to better sales, but also prevents spending money on ineffective methods. You must balance all the planning you've done on the front end with tracking on the back end. Otherwise, your marketing will seem vague and rudderless.

There are many digital analytical software programs, but Google Analytics is one of the most popular - and it's free. You just copy a simple piece of code on your website to start collecting data automatically and immediately. You can design your own report, or choose to receive one that Google creates for you.

What kind of information can tracking deliver?

- What are potential customers looking for after arriving on your website?
- Why are they leaving your site after visiting just one page?
- Why do you have lots of traffic, but weak sales?
- What pages have the highest "bounce rate?"
- What's the average age of visitors?
Gender? Interests?
- What device are most visitors using?
- What part of the country - or the world - are they from?

Foresight Is 20/20

Google Analytics allows you to gauge the performance of all social platforms you use, from Facebook to Twitter. If Facebook users are "clicking on" to your website, but leaving quickly, is that the right place for you? But imagine Twitter followers are also arriving at your site, but they're coming closer, by signing up to receive emails, clicking on to your blog or making a purchase.

Read Between the Clicks

So how does analytical data become insight?

- You're noticing a high number of people who are exiting on the payment page. You now understand you need to do some work to make that page friendlier to shoppers.
- Visitors are clicking onto your "Blog" but not staying long enough to read it to the end. It's clear you need to give it some attention, like choosing different topics or making the writing style more engaging.

Just Ask

In a world where we spend lots of time looking at screens, try using your phone to speak to your customers. Or better yet, have some face-to-face conversations, asking your customers about their specific impressions, suggestions and yes, even complaints. Knowing what customers don't like is often a great starting point for improvement.

Optional surveys on your website or social media pages can be a useful tool, but keep them short. Five multiple-choice questions are plenty, followed by a place customers can write their thoughts, if they want.

Asking friends to interact with your company as "undercover customers" can give you unbiased feedback about how client-friendly your business truly is. Ask them to log onto your website, to see how easy (or difficult) it is to negotiate. Do they feel that your social media is engaging enough? Do they read or delete your emails?

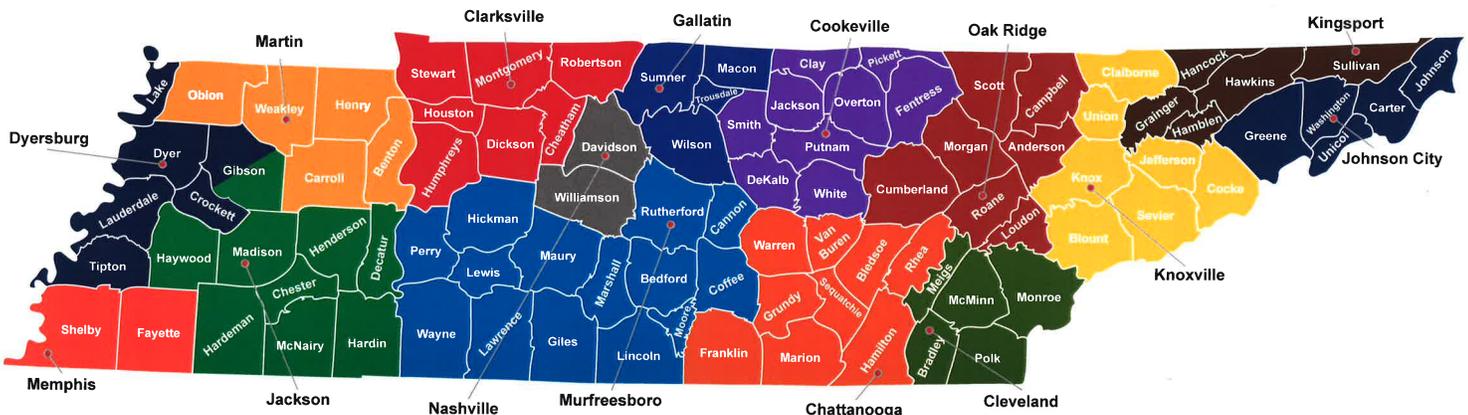
The Mention of Your Name

Whether you're marketing via email blasts, social media or ads in the local newspaper, "the mention" is the granddaddy of measuring techniques. Simply put, "Use this code or mention this ad, and get 10% off" works.



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