

Marketing Programme

Marketing

Let me start by offering an overall view concerning marketing. The first thing we must understand is that without customers you don't have a business and without marketing, you won't have any customers. Marketing is the key skill we all need to pay attention to if our business is to succeed. Do not wait for business to come to you, go after it with all your heart and mind. If you are busy now, this is the best time to increase your marketing effort as it will ensure that you stay busy. If you are not busy now you know the reason why.

Jay Abraham is probably one of the most successful marketing advisers in the world today; typically he can demand a fee of \$50,000 per day to run a one day marketing conference so I guess we should take some note of what he shares. I recently spent 90 minutes glued to a telethon from America to listen to some of his ideas and I now share those with you. I have added further information from my own experience and from courses I have attended or have run. Later I will supply some standard marketing notes from our courses but at this stage I want to challenge you. Jay started off by offering the following advice.

Get more out of your customers

One of the keys to marketing is to get more deals per capital/income available, get more from people you are dealing with and the opportunities that are presented to you. All too often, we do not get the most out of the opportunities we create. As an example, I used to sell life and pension insurance products. I called on one of my clients one day to be told they were moving house. I brought up the subject of their new mortgage to be told they had already organised it. When I asked why they had not considered me for mortgage advice, they told me they didn't realise I did mortgages. The truth of the matter was I hadn't told them, I had missed an opportunity by not marketing fully.

It is foundational that we create a pre-eminence in their eyes, of being the first choice for our client or customer. If you like, the most trusted adviser or retailer, manufacturer, engineer or service provider or whatever it is you do.

Help clients get the best value for their money

Our clients should never buy less quality or quantity than they could or should. What do I mean by this? There is always someone offering a cheaper service than you or selling a cheaper version and there are always those who will offer less to attempt to get the client to buy from them. We should do all that we can to ensure that our client is keen to buy the "best" - quality costs more but often is better value as it lasts longer or performs better. In the same way, you can always find a product or service which costs less because it is an inferior product or service due to the lack of features. In some cases of course, clients are very happy to pay less for less so long as they are getting the basics they need; budget airlines have proved this and that is their attraction. If you are competing against such competition then do all that you can to match

what they offer but then look to add value added by way of extra, but not necessarily costly features.

Learn to be different – have to right attitude

What we are saying is be different and work to become the only viable solution that the client/customer has. I use the term either customer or client. Let me explain the difference. A customer is someone who likely buys from you once, may come back at a later stage or may go elsewhere. There is no attempt by either party to build a personal or lasting long term relationship. In the retail trade we would normally refer to customers but in most other businesses we can build lasting relationships and therefore turn customers into clients. Incidentally, in the retail trade some like Tesco are very good at building lasting customer relationships but it is not done in a personal way but by being the best, special offers, more choice, reward cards etc; but they are still customers. For most of us running a business we need to build personal and lasting relationships and I will therefore refer only to clients from this point onwards as we should strive to create that sort of relationship with those we deal with.

This means that we need to have a fundamental change in our attitudes. We need to be constantly thinking on behalf of our clients and their need rather than our own needs. It is because of my advice, help, thought process that my clients get value for money and I am able to charge a decent fee for my product or service. I need to focus on my client and their needs; I need to think more of my client than I do about myself or my company. If this is my attitude, then what I offer and how I work and the reputation of my company will be grow and I will ultimately benefit but not before my client benefits.

Be honest and show that you care

Another key is being honest with clients and telling it as it is, even if it's not what the client wants to hear. If I am honest with the client it is because I care for them, I show how much I care by the passion I show for my company, product or service and how much I care for them and that I am not willing to compromise what I do just to attempt to win an order. My clients need to understand that ***I am the provider of the best result they will get for their needs***; there is no other viable solution because I understand their needs, I feel what they feel and I am willing to work my socks off to meet their requirements.

The ultimate tool so get the best results possible

In business to-day and it has always been the case, marketing is the ultimate tool for building your business and giving you the income and profit you need. This is not to say that all the other areas of running a business are not important; managing your finances is vital but without clients or customers you haven't got a business or finances to manage and you don't get clients without marketing.

There is a cost to marketing both in time and money, therefore it is vital to gain the best results possible from the marketing you do. It costs the same to get 1, 5, 15, or 20 sales from a marketing campaign. It cost the same to get a buyer to buy once or many times. It costs the

same to bring in the initial leads no matter how many referrals you get. The question is “how do you produce the highest level of results from your marketing?”

We have a tendency to follow the pack; to do it the same way as everyone else. This is OK so long as we are getting the best possible results from the marketing you are doing but all too often we are not getting the best results and neither are our competitors. We should continually be looking for ways to be innovative with our marketing, try different processes. We settle for too little in the results we look for.

Test different ways to do the same thing

As an example, a furniture store found that they were not getting the best results and they then tested 35 different ways of greeting a customer when they first came through the door. Many greetings produced very poor results such as “can I help you?” the most common response was “I’m just looking” this left little chance of engaging with the client and starting to build a rapport. The greeting that proved to be the most successful and which increased business by the greatest multiple was “And what brought you into the store today?” This greeting quickly engaged the client in conversation and was the least threatening.

If you are advertising, you can often find that the advert; that is the body of the text is OK but it’s the heading that’s wrong. Test different headings and suddenly you will find one that is four five or even more effective than the one you have been using.

If you are calling people on the phone work from a script and try different openings. Test and test again until you find an opening statement that works for you. When I was selling financial services I tested a number of openings and the one that worked best and got me in front of 50% of the prospects I was phoning was “I want to come and talk to you about money, its uses and its problems”. That one statement opened up the conversation and I was then able to build a rapport with my prospect over the phone and ask for an appointment.

Get the best results from what you are already doing

There is no point in doing more marketing until you maximise what you are doing already. If what you are already doing is not working then stop doing it and find a better way. You will save money and improve performance.

There is a tangible and an intangible risk element in every transaction, identify what the risks are then look at how you can improve your performance. I feel I must add at this stage, you must have the right attitude to the task I am suggesting. It is like a game of chess; you are looking ahead at the best move you can make which will give you the best chance of a favorable result. See it as a challenge and you will soon learn to enjoy your marketing efforts and quickly you begin to get results that improve your business performance beyond anything you have ever done before. Make it fun, enjoy the process and reap the rewards.

Review

Let's review what has been covered today and take time out to examine what you are currently doing.

1. Are your clients getting the best value possible from you? How do you demonstrate this, what are you doing that ensures you client comes back to you?
2. Are you selling all you could to your clients, do you offer other services that they don't know about or are there other services you could offer?
3. Do I think more about my clients need than I do my own and if so, how do I demonstrate this?
4. ***"I am the provider of the best result they will get for their needs"*** Is this statement true of you and your business and if not, what do you need to do to ensure that it is in the future
5. From your current marketing, are you getting the best results you could? Have you tested different headlines in your adverts, scripts for telephone marketing, the way you greet people etc?

There is no point in moving on until you have addressed these issues.

People don't buy products but results

We must be very clear about our mission. People don't buy products or services but the results of the product or service. People don't buy a drill bit because they want a drill bit but because they want a hole. We can even take that one stage further. The reason they want a hole is to put a plug into it and then a screw because, and here is the real reason for purchasing a drill bit, they have something they want to hang. Therefore they did not buy a drill bit because they love collecting drill bits but because of what the drill bit would do for them, they wanted to hang a picture of someone they love.

Solving client's problems or helping them achieve whatever it is they want to achieve is our key activity in life. It is why we are in business and we should never loose sight of it.

Our job is to educate people and tell people why they should deal with us, why they should buy our products, why they need us. When they feel that we are their best choice, then they will choose us and often they will be willing to pay more because they feel that we are better value.

Know your clients

But before we can educate our clients we need to educate ourselves. We run our businesses with little or no knowledge of who our clients are. Today we are privileged in that we can capture information quickly, effectively and economically. Collect data on clients, where they came from, how they heard about you, why they purchased, what there needs were, how often do they buy, what size do they need. Tesco and other major supermarkets now capture all of our buying

habits through club card points. This week my wife and I received our quarterly coupons and also attached was a sample package of fresh coffee because we recently purchased another brand. They would not send us coffee unless we had had a record of purchasing it in the past.

We to can capture information and keep good records; the first sale can be the first of many over a long period of time. The first sale to a new client is the most expensive sale we make as it cost more to get a new client than it does to get repeat business, the repeat sales are always the most profitable and as we continue to service our clients, we can often upgrade them, gain bigger and better sales. We can cross sell, sell new services or products. People will often test us with a small order to begin with, and if we perform to their full satisfaction, they will come back to us. The more we know about our clients the more we can satisfy their needs. Never let people buy less than they should as often as they should and less products than they should.

Forge strategic alliances

In some cases we might be more expensive, because of the quality of the product or service that a client can afford. If this is the case, then find another supplier who can offer a lesser service at a lower price and forge a strategic alliance with them. If we can introduce business to them then they might be prepared to pay us a commission or introduce customers to us who they can't deal with.

Some years ago I set up a small property maintenance company and as well as the services I was offering which were based on decorating, I forged an alliance with two others; one an electrical contractor and the other an office partitioning and suspended ceiling contractor. Not only did it make my company look bigger and better, I was able to gain a 10% commission on all of the business I introduced to them. Some weeks my commission incomes were greater than my maintenance company income.

Look for people who will endorse you, others who are successful in their own rights and who will help gain more leverage with potential clients. It is even better if they can also gain leverage for their business by you also endorsing them.

Increase your business by 46%

There are four ways in which we can increase business;

1. Increase our customer base
2. increase the size of order with customers
3. increase the number of times they buy
4. increase the range of services or products that customers buy

What would happen if you increased your effectiveness by 10%? Most people would answer “my total income would increase by 10%” But that is not the case. The value of compounding comes into play as you will see in the following example.

Assume that you have 100 customers who order on average £100 of goods or services and they order 10 times pa and they buy a total of 10 products or hours of your time. Your total income from your business would be $100 \times £100 \times 10 = £100,000$ Remember this also assumes you are selling 10 products or hours of your time. What would happen if you were to increase your effectiveness by just 10% in each category rather than attempt to increase your overall business by 10%?

You would have 110 customers buying to the value of £110 and buying 11 time pa and purchasing 11 products or hours of your time. That is $110 \times £110 \times 11 = £133,100$ for 10 products or hours of time. Increase that to 11 products or hours of time and your total income would be £146,410 and that is a total income increase of 46.4% not 10%.

Once you know how many active clients you have, how often they buy, the average sale value then you can start to create a strategy to become 10% more effective in each area. Improve in each of the three areas and you will increase you value of business by 33%. If you can then find other products or services to sell then you will add to your percentage increase.

Right now, how could you make a 10% or even 5% improvement in the first three key areas?

- 1. Increase your customer base***
- 2. increase the size of orders***
- 3. increase the number of times they buy***

How to gain more quality clients

How do we increase the number of clients we deal with? Have a strategy for gaining referred leads or recommendations. 90% or more of businesses do not have a strategy but rely on being recommended, they are passive or reactive lead gatherers rather than proactive. It does not matter how much you spend on advertising you will never get as many leads or new customers as you will from referred leads and they cost nothing other than effort and a proper strategy. More importantly, a referred lead will be a better customer. It is the best strategy of all for increasing market share and building your business so why don't more people do it? It's because they are nervous of asking existing clients for leads or don't know how to. Let me share with you a fail proof way they will add volumes to you business.

Give as much attention to asking for recommendations as you do your presentation. Test different ways of asking until you and your customer feel comfortable about you asking. The most effective marketing we can do is being so good at what we do that we automatically get recommendations.

Profile your customers.

There are certain types of customers who are easy to do business with and who give us the most pleasure and profit. As you build your business you will begin to get a picture of what makes an ideal customer or client. What do they look like, what makes them ideal for you? Whatever profile you come up with you will find that those customers know others like them as people mix with people like them. Let me give you an example.

Some years ago I followed advice from a very successful salesman called Robin Salter. I looked at my client bank and I asked myself the question “What make an ideal client” I came up with the following formula. A small to medium sized business, been in operation for no longer than 5 years, employing less than 25 people and with a turnover of less than £1m and within a radius of 25 miles from my office. Once I had identified who was my ideal client I then looked at my client bank and asked myself “how many clients do I currently have that fit the profile and I found I had about 15 clients. These clients were probably responsible for about 70% of my turnover.

This is when I then became very proactive. I went to my fifteen ideal clients; I explained the process I had just gone through, that they were an ideal client and then I asked the following question “who do you know who fits my ideal client profile?” It is my experience that people know and have relationships with like people. Each of those clients knew on average 15 other business owners like them and were willing to share with me the names and contact details and then endorse me as a trustworthy adviser. That’s 150 potential ideal clients who are similar to 15 clients that are responsible for 70% of my business.

If I asked you who do you know who drives a car that is anyone and therefore no one in particular. But if I ask you who do you know who owns a Jaguar, if you do that person comes immediately to mind and you can picture them. It is the same with referred leads, ask specific questions to the right people and help them picture who it is you want to meet.

Review

Let’s review what has been covered today and take time out to examine what you are currently doing.

1. **People don’t buy products but results.** What are the best results your clients get from buying from you? Don’t ask what product or service you sell but what benefits do your clients get from that product or service you sell
2. How well do you know your clients, what tracking systems do you have in place? The better you know them the more you can sell them
3. Who can you forge a strategic alliance with; who can you promote and gain a financial or business reward from and who can you benefit from you?
4. There are four ways in which we can increase business;
 - Increase our customer base

- Increase the size of order with customers
- Increase the number of times they buy
- Increase the range of services or products that customers buy

Examine the four ways and set yourself a task. How can I increase my effectiveness in these four areas? Even if you only increase your effectiveness by 5% in the first three areas your overall business would grow by 16% next year.

5. Profile your clients. What makes an ideal client for you, what do they look like, size, location etc? Who are already your ideal clients? Now create a plan to visit your ideal clients and ask them for a list of recommendations like them.

Make your main strategy to have a strategy

This is just one way to get recommendations; there are a number of ways we can get referrals. Don't rely on just one strategy but have a number of strategies to be referred. Make it your main marketing strategy; have a daily or weekly target of how many recommendations you will receive. Help programme your existing customers not only to maximise purchases with you but also to maximise recommendations.

Most companies build their business on one main system to get new business and they depend on it but what happens when it goes wrong or starts to be less effective? It is crazy to depend on just one strategy. Build a marketing wall.

Marketing wall

Imagine a wall with a number of bricks and that wall represents your marketing effort. Each brick is a marketing strategy. One brick might be a Web page, another press advertising, another direct selling and yet another asking for referrals. The more bricks you have the bigger and stronger the wall. The next exercise is to determine what your marketing budget is for the next twelve months. Remember that marketing is the lifeblood of your business so you should have a budget. Whatever it is, look at your marketing wall and determine where you will get best value for money. You don't have to do it all but choose the best options and stick to your budget. Don't be persuaded by very effective advertising sales people to spend money on adverts that will have little or no effect on your business.

What marketing bricks will you put into your wall, which bricks will you use immediately and will give you the best return for your money?

Know the value of repeat business

The most costly business is your first order from a customer. To get the customer you will have spent a great deal of time, effort and money to do that business. The next order cost less and the longer they keep ordering from you, the more profit you make from them.

If your business allows you to do repeat business with customers then you might want to consider taking less profit on the first order by providing a special offer. If you are advertising or doing a leaflet drop, you might offer a coupon for their first order. This often helps customers make up their mind to do business with you and once hooked; then they will buy again.

A manufacturing company in America who sell products all over America do it through their own sales force. Salesmen are in the main lazy, they are great at taking orders but lousy at cold calling. There are two types of salespeople, firstly the hunter who will go after new business and then there is the farmer who is good at farming the business that is already there; an order taker.

The company had not increased its business for over three years as the salesmen were just farming, there was no incentive for them to go hunting; they did not earn any more dollars. A business adviser was brought into the company and after making some investigations suggested to the directors that they give all of the profits they made to the salesmen on the first order they took when opening a new account. The directors were horrified as they would not be making any money until it was pointed out to them by the adviser that his investigations had uncovered the following facts. On average each customer ordered ten times a year and an average order size was \$1,000 and they stayed with the company for 8.5 years. The total amount of business each new client did in the lifetime of a client was \$85,000. Therefore they could afford to give their salesmen all of the profit on the first sale which amounted to \$400. The next year the business grew 25%

The moral of this story is, understand the value of a long term client or customer. If you have a good client, look after them very well indeed

So far I have just shared some key points concerning marketing but there is so much more you can learn let's take some time out now for you to do some work. It's your business and your success we are talking about, I can't do it for you. As the Chinese proverb states "if it's to be it's up to me" It's up to you to make it work.

Key questions you must ask yourself

- Where do I currently get my clients from
- How do I find them
- What do I offer them that satisfy their need
- What do I sell
- What price do I sell at and what do my competitors sell at
- What is the cost of adding one more transaction to get a sale
- What is the total cost to get a sale and service the client
- What does it cost to get a client back and buy again

- What does it cost to get a new client
- Where could I get more clients from
- How many referrals do you get
- If advertising what does it cost to advertise per new customer gained

How often do they come back

How many referred leads do I get from that new client from my advert

What other products or services do they buy

So now what is the real value or cost of that advert

- What constitutes an ideal client for me, what is my ideal client profile?
- Who are my current ideal clients
- What strategy will I use to gain more ideal clients from my current ideal clients

It's your business and it's your financial future. You need to take it seriously. Most of what I am sharing with you cost little or no money other than your time. How can you build a business unless you know who your potential clients are and what they want? What your competitors offer and what will help you stand out.

The better you are at doing what you do the easier it becomes to get others to recommend you and to get clients to come back to you.

Do a test run

Maybe you need to go and interview prospective clients. Take the heat off the situation. One of my recent clients did just that. They are planning to sell a service/product to housing tenants. At my suggestion they went out and did a dummy run. They told the householders that they were just doing a survey at this stage and did the full presentation up to the point of asking for the order. They then asked the prospective clients based on the information they had received, would they buy the service? A staggering 99% said that they would. Not only can my client go back to those clients when he is ready to launch his service but he has some great figures to quote and he now knows exactly what the clients want and if they will buy.

If you have a particular product you are launching identify some key potential users, people who have standing in the industry you are entering. Ask them to try the product or service out and assuming you have got it right and they like what you do, get them to endorse it.

Activating old clients

Clients might go elsewhere for a variety of reasons; maybe lost interest, had a bad experience, a competitor offered something different, we did something wrong or our client might have outgrown us.

Why did they stop buying or go elsewhere? The only way to find out is ask them and very often the fact that we asked, indicates that we care and that might be it takes to reactivate them. If there is a specific reason, then contacting them will give us an opportunity of discovering what the reason is and addressing it.

- Who did business with you but doesn't now
- Why don't they
- Do I want to get them back, if so
- What can you do to get them back

Knowing your clients

People buy things or services for their reasons and not yours.

- Why will they buy from you
- What makes you different
- What value added can you offer
- How well do you know your clients, the decision maker
- What motivates them
- Have you got what they need, if not, can you get it
- How can you effectively impact them

Look at what has been covered that week and ask yourself the questions raised and remember:

Believe in your self and your product/service - Marketing is the lifeblood of your business

Some years back Porsche Motor Company appointed a new chairman. He spent the first three months asking anybody and everybody concerned with Porsche "what are we in the business of?" he asked his designers, office staff, key directors, shop floor workers, dealers and customers. Invariably they all came up with the same answer, "designing and building high powered sports cars"

At the end of three months he amazed people when he stated that “that is not the answer, we are in the entertainment business; people buy our cars for the entertainment value it gives our customers. Now go and build me a car that gives our customers the maximum entertainment value” As a result the Porsche Motor Company grew significantly. What business are you in, what is your purpose, why do people buy from you?

Without a market we cannot conduct business. Marketing and sales are not the same, marketing identifies your potential customers and confirms that people/companies want to buy your products/services, selling is the action that persuades the customer to buy your products/services.

Marketing starts with attitude, you have got to want to put the effort in; you will never build a substantial or even a moderate business without spending time and effort on marketing.

Marketing consist of:

- Making sure there is a market for you products/services
- Designing and producing the right product/services for the market
- Ensuring that your price is right and that you are packaging it in the right way
- Deciding what is the most cost effective way to reach your market
- Building a simple system for reaching your potential market and letting customers know where they can get your products/services
- Giving outstanding service to your customers so that they use/recommend you on a regular basis
- Continually looking for new ways to reach your market or produce new services/products to increase your market

Large corporations spend millions of £'s or \$'s marketing their brands and creating a strong brand image. It is not unusual for them to spend many thousands on the design of their letterhead. They know the value of good marketing. Small businesses cannot nor should consider spending thousands of pounds they don't have, there is an economy of scale but no business can afford not to market their products/services

New or existing businesses

If you are starting a business or looking to grow an existing company and you require loans/grants towards your cost, then the agency or lender will want to see a business plan including a strong marketing element.

Market research is needed to identify that there is a market. It is no good you wanting to sell a product/service if the market is already saturated or where there are not sufficient people

needing/wanting your product/services. You need to look at your skills or products and ask who will buy them and where and what proof do I have of this?

Assuming that there is a market, you then need to create a system of **continuous marketing**. Too many businesses have started well and built reasonable or even substantial sales only to stop marketing and then see their sales drop off. *“The best time to increase your marketing activity is when you are at your busiest”.*

Marketing Definition

“Selling the right product/services in the right place at the right price, promoted in the right way to the right people”

- **Right Product/services** is there a market for your products/services?
- **Right place** who/where are your potential customer?
- **Right price** are your prices competitive, can you make a profit?
- **Promoted to right people** how will you promote yourself to the right people?

Every small, medium or large business owner needs to spend some time on marketing each week just as you need to keep an eye on your finances every week. Marketing does not have to be costly, but it does need to be regular. The following rules should be followed:

- Look at your marketing every week
- Only do sufficient marketing to meet your budget
- Do not over market and find you cannot fulfill your orders/enquiries
- Check the results of your marketing, if it is not paying, change it
- Look at how others are marketing, if they are doing it regularly then it is likely to be paying for itself; adapt and copy

- Ensure your marketing is reaching the customers you want to attract.
 - Who are they?
 - How do you find them?
 - How do you grab their attention?
 - How do you keep them coming back to you?
 - How do you get them to recommend you to others?

Branding

When you see a large **m** over a quick food restaurant you know what you will find under the sign. If you walk into a sports shop and see \surd you know which brand you are looking at; that is called branding.

Even the smallest of businesses should spend time and a little money on creating the **right image**; it speaks of professionalism. Spend time on:

- Business cards, letterheads, invoices etc
- Packaging
- Your personal appearance
- Good service, keeping promises
- Keeping your car/van/premises clean and tidy
- Signage on van/premises
- The way the telephone is answered
- Grammar and spelling of letters/leaflets and other literature
- Sales aids such as presenters
- Uniforms if appropriate
- WEB site and e-mails facilities
- Being a good time keeper
- Caring more for your customer and staff than you do yourself

Exercise

Let's stop at this point and take time out to look at your business. All too often we become careless in ensuring our business looks and presents as well as it should. Ask yourself the question at this stage and ask yourself, how does my company look to people who do not know me or to my existing customers? Look at the points concerning image above and ask "How is my image?"

Are you looking at your marketing every week and if not, what can you do to ensure you do?

Do you have a marketing budget?

Are you selling the right products/service to the right people in the right place and at the right price? Are you reaching the customers you want to reach?

80/20 rule

As a rule, 80% of your business will come from 20% of your customers. Conversely, 80% of your problems will come from 20% of your customers.

When starting a new or building an existing business, we need to decide who and where our most likely customers are and what it is that they want. When we start out we tend to do business with whoever will do business with us but as time goes on, we can afford to be a little more discerning.

This is where **market research** comes in, we need to research where and with whom we will do business.

Market Research

Too many people start a business believing that it will work based on their belief rather than solid evidence. For instance, you may want to start a business as a decorator or an electrician and believe that you can charge £15 per hour only to discover later that the local market average is £12 per hour.

You may think there is an opening for a photographer for weddings, spend a great deal of time and expense on getting and opening new premises only to discover that a major firm of photographers charging prices you can not compete with is opening three doors away from you.

Before you commit yourself to a new business, you need to find out as much as you can about the market you are entering, who the competitors are, what they charge and are there sufficient customers to warrant another business in that area?

You must find out how many potential customers are available to you and what they are prepared to pay. You also need to make sure that you know what service they require.

It is also vital to know what turnover is required to pay your expenses and provide you with the income you require. For example, if your business is going to cost you £150 per week to run for petrol, phone, insurance and vehicle tax and servicing and you personally require an income of £200 per week to pay for your household bills, then you require a base income of £350 per week or £8.75 per hour for a 40 hour week.

However, you also need to take into account, NI and income tax. As a self employed person you do not get paid for holidays or when you are off ill and of course you need time to run your business, marketing, making phone calls and all the other things that crop up in a day. In real terms, if you require an income of £8.75 per hour just to keep body and soul together, then you will need to charge £13 per hour to ensure all expenses are met. Be very certain that there is a market and that you can charge the right price for your services or products. How do you do this?

Ask questions.

Ask the following:

- What is the population of the area I am working in?
- Am I restricted to a local market or is it regional/national/international?
- Who are my competitors, what are their strengths/weaknesses?
- What prices can I charge for my products/services?
- What will it cost me to run my business? Can I make a profit?
- What will be unique about the products/services I can offer?
- Who is most likely to buy my products/services? Are there others who might buy but are not on your main list?
 - Describe your ideal customer, where do they live, what do they look like, what sort of income bracket might they be in, what sort of house or business will they have, do you want to do business in the domestic or business market or both? The clearer you are about whom you want to do business with the more likely it is that you will reach that market.
- Test your market, ask potential customers if they would buy from you if you were offering this service or selling this product? Do not ask friends or family, they are not a good test.
 - Before you can test a market, you must have a clear idea of what it is you will be offering, the service you will provide, the guarantees you will give and the prices you will be charging. What is unique about your product/service? Are there other services you should be offering to help you be different?

- How will I reach my market place, how do competitors reach their customers?
 - Once you have tested the market and decided whom you want to do business with, you then need to decide the best way to reach them. Do you advertise, do leaflet drops, direct mail, telephone, cold call, use agents; what are the best ways of reaching your target market, how do your competitors do it?

Exercise

1. Explain clearly what service or products you are marketing.
2. Describe the ideal customer from your point of view
3. Who are my main competitors, what are their strengths/weaknesses?

Competitors

Strengths

Weaknesses

4. What can I offer that is different (Unique)?
5. What is the best way for me to reach my market?
6. What other products/services can I offer or markets can I reach?

As you build your business you will find certain patterns appearing, types of customers, products or services most commonly purchased, problem areas and a host of other information.

Keep good records, find out where your business is coming from, how much it is costing you to get that business and where you are getting the most problems. This information will help you market your business in the future

The value of repeat business.

The most costly business is your first order from a customer. To get the customer you will have spent a great deal of time, effort and money to do that business. The next order cost less and the longer they keep ordering from you, the more profit you make from them.

If your business allows you to do repeat business with customers then you might want to consider taking less profit on the first order by providing a special offer. If you are advertising or doing a leaflet drop, you might offer a coupon for their first order. This often helps customers make up their mind to do business with you and once hooked, then they will buy again.

The value of good service.

Customers keep coming back if they get good service, customers recommend you to others because they get good service; customers often pay more to get good service. Good service is the best marketing tool of all. And yet so few give good service, those that do normally build very successful businesses.

Creativity & Innovation

Use Imagination

Do not try to do what the large companies do, look for their weaknesses and concentrate on doing the things that they do not do well.

When you have created a good market for yourself, protect that market whilst looking for other ways to expand. Do not stop doing what you are currently doing if it is working for you.

Changing Marketplace

Real innovators create new patterns, they will copy what others do if it is good, but they are never satisfied with following every body else if they can find other and more exciting ways to progress.

Key Questions

- * What are we doing?
- * Why are we doing it?
- * How effective (profitable) is it?
- * Is there a better way of doing it?

There are a number of marketing objectives you should aim for.

1. **Deeper penetration within existing markets**

Is the current market saturated or could you obtain more business from your existing market. Are you automatically your customers' first choice?

2. **Develop new products/services for your existing market**

Do your customers purchase other products/ services that you could but do not at present supply?

3. **Find new markets for existing products/services**

What percentage of the total market do you supply at present?

4. **Develop new products/services for new markets**

Who are we not doing business with, why, what else could we do to attract new customers.

Customers Buy Results

People do not buy products, they buy what the product or service will do for them; they buy the benefits, results or outcome. The only reason your customer buys from you is because they see an advantage in it for themselves.

The customer is always asking, **“What is in it for me, what is the advantage for me?”** Whatever it is, we need to get that across in the advert headline, the opening paragraph of the letter or the opening statement of the sales presentation.

Ask yourself the question, **“What is it about my business, product or service that gives greater benefit, advantage, results to my customers than dealing with other suppliers?”**

Branding

As we have mentioned before, branding is creating a unique identification. It is helping your business stand out; it is how your customer instantly recognises you. Do you have a vision of what your company is capable of becoming? Earlier I covered some of the topics below and repeat some points but also add others. Do the following reflect the vision you have for your company?

- ▶ Reception area
- ▶ Office/Public areas
- ▶ Toilets/Staff rooms
- ▶ All stationery
- ▶ Invoices & statements
- ▶ Telephone manner
- ▶ Sales aids
- ▶ Salesmen/Agents
- ▶ Samples
- ▶ Quotations
- ▶ Company Vehicles
- ▶ Packaging
- ▶ Catalogues/Price list
- ▶ Delivery Dates
- ▶ Staff uniform/dress code

- ▶ Letters, grammar, spelling.
- ▶ Return telephone calls promptly
- ▶ Answering Queries

Every time your customers meets someone, speaks to someone or receives something from your company, they or it should promote your company. It should be instantly recognisable as coming from your company and should speak quality, service and caring. Do things that other people or companies do not do, help your customers appreciate you and the performance of your services or product.

Specific Marketing

There are specific marketing tools we can use and I cover most in the following along with some comments on each.

- * **Sales Representation.** Can be expensive but very effective. Select and train well.
- * **Agents.** Choose those with good track records. Likely to represent more than one company and so there could be a conflict of interest.
- * **Telephone selling.** Can be affective but staff need to be well trained and use good scripts
- * **Advertising** is normally expensive, can be very effective but needs to be constant. Get your message across simply and briefly. Must have a good headline. Do not try to say too much. Use space and pictures. **Yellow Pages.** Use their free line advert or no more than two or three lines so you stand out from others
- * **Pre-approach letters** can help get your name known. Must be short with a good headline and a special offer can be helpful
- * **Direct mail,** a leaflet to a mass market can produce good results. The more often you do it the better the results but can be expensive
- * **Seminars/Trade Shows** are very good for many companies. Once on the stand, do not wait for customers to come to you, stop them as they go by, and be proactive.

- * **Catalogues** are a good way to promote your company. Tell the customer what they need to hear not what you would like to say about yourself. Not too many words. Use good design and pictures and recommendations from existing customers.
- * **Recommendations/Referrals** are the best and most cost effective way of building a business. Recommendations normally only come if you have performed well and if you ask for them.
- * **Public Relations or PR** can be very effective and is less costly than advertising. If you have developed a new product, got a major order, are expanding or there is some other newsworthy item, let your local newspaper or trade magazines know.
- * **Networking** is a wonderful way to market. Work with other companies, or any one who can help you and whom you can help

Brochures/leaflets in a simple but effective layout can be a good way to promote your company and to create a good image. Keep it simple, your message needs to be told quickly, customers do not normally want to read too much unless you are promoting something with a high technical content.

- * **WEB site.** To-day one of the most powerful marketing tools is the WEB but just having a few good pages is not sufficient. Customers, existing and new need to be able to find you. It is therefore vital that you seek good advice before spending time and money on you web site
- * **Ears to the Ground.** Every day you are meeting people, having conversations, passing potential customers, reading newspapers. Look out for all opportunities

Quote

"From a business perspective, it is the customer who pays the bills, finances the growth, and makes it possible to stay in business. Creating and keeping customers is every business owners most important priority. Helping customers at all times is the lifeblood of any organisation" If a customer says you are not meeting their needs, then you are not meeting their needs.

Little means a lot. You demonstrate your commitment to helping the customer through the little things you do. Paying attention to details sends the message of integrity and concern

Complaints are good news. We learn from feedback. If someone takes the time to let us know how they feel, it is important that we listen to their opinion

Great service does not take place of quality product - we must have both.

There are two components to quality products and service. Firstly – do it right first time. Secondly – have a system in place to catch and correct mistakes when they do occur

Everyone likes to feel good about themselves. People want to feel that they have made the right decision, that they are important, that they are valued. People like to associate with people who make them feel important.

Make your employees feel important. Motivate them, train them, care about them and make winners out of them. If we treat our employee's right, they will treat our customer's right. If our customers are treated right, they will come back

What you sow is what you reap. There is more to fear from inside inefficiency than there is from outside competition

Marketing starts with attitude. Marketing should be a vital activity of your daily work.

What are you doing today to increase your business and to promote your company or business?

The key to success in business is having a goal – knowing what you want, knowing why you want it and then doing all in your power to deliberately work towards and realise that goal.

Our financial return will be in direct return to the service we provide. Marketing and providing a good service go hand in hand together. Providing a good service is a marketing activity.

- * Do you treat your customers as well as you can?
- * Have you asked them?
- * Do you treat your staff as well as you can?
- * Have you asked them?

Survey your customers.

1. When you telephone our office, are you answered quickly and courteously?
2. Are queries dealt with quickly and to your full satisfaction?
3. Are you satisfied with the quality of our products/service?
4. Do we deliver the products/services on time?
5. Are our prices competitive in your opinion?
6. Is our staff helpful and courteous?

If you are less than happy with our service, please give some examples.

What more can we do to help you?

Survey your staff.

- * Do you enjoy working for the company?
- * Do you enjoy your own particular job?
- * Do we treat you fairly; does your manager treat you fairly?
- * Would you like to be given more responsibility?
- * Do you feel valued and doing a worthwhile job?
- * Do you feel that you are under pressure?
- * Do you feel that you have the capacity to do more?
- * What do you like best working for the company?
- * What do you like least about working for the company?
- * If there were one major change you could make, what would it be?

Caring for both customers and staff is a key part of marketing. Quality of service and product is more important than price. **Customers do not want to know what we know; they want to know that we care.** It is the same for staff. Creating the right image is vital.

Charters of commitment

Major companies often have a charter of commitment to both customers and to staff. If you were to write a charter of commitment, what would your headings be and what guarantee would you feel confident about giving your customers?

Do not produce a charter and publish it unless you are certain your company can live up to it

Marketing basics

There is no point in spending time and money to produce more business unless you are able to cope with it.

1. Can production handle more business?
2. Can distribution and packaging handle more business?
3. Can administration handle more business?
4. Can your finances handle more business?

Asking and Listening.

When building a marketing plan, ask the question, “What are we doing now that is producing results?”

Secondly ask “What have we done in the past that has been successful but which we are no longer doing?”

Exercise

Look at all of the points above and ask “Am I doing all I need to do to be successful?”

“If I were my own customer, what would I want from me?”

Market Environment

We live in an environment of changing legislation and market trends. What is popular today may be out of date tomorrow.

Are you able to export your products?

Do you know all you need to know on government, European legislation, and worldwide legislation?

Cultural values – what is society able to accept?

Environmental issues, economic factors (currency exchanges, bank charges, import/export tariffs etc)

Transport, communications

Patents and trademarks

Customer’s needs and opinions

Gather information on your customers’ needs/wants. Conduct surveys, formally by questionnaire or informally, a conversation over lunch. Ask, listen, observe; not just facts but feelings. Markets are changing rapidly; you need all the information so that you can plan your future actions.

Four marketing questions

1. Products – what product/service does your customer need?
2. Price – what price are you able to sell at?
3. Place – which is the best market place for you to sell your product?
4. Promotion – how will you best promote your product/service?

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Develop new products/services for new markets

No business should rely on one source of business but should constantly be seeking new ways to generate business and should constantly be seeking ways to improve the existing marketing. To do this you must test, analyse and measure that which is successful and replace those under-performing areas of marketing.

Test and Measure

When you test and measure the quality of your product/services, what guarantee would you be able to give? If your products rarely break down or cause problems or if your service is foolproof; do not just tell your customers that, give them a guarantee in writing. Make a big issue out of it; shout about it from the rooftops.

Added Value

What else can you offer your customer economically? What added value or service?

Comfort Zones

Each industry has its own way of doing things passed down from generation to generation. This produces tunnel vision. We need funnel vision. What are other industries doing, how do they market, get their business? Copy and adapt.

You cannot reach your full potential unless you are willing to innovate. There is no point in making changes in your business, unless it will bring an advantage to the end user. If you do things, which provide an advantage, but you do not pass that on to your customer, then you are not maximising your business.

Marketing is giving your customers better value for your products/services than your competitors. This entails educating your customers of the advantages and benefits of dealing with you and increasing their business with you.

Analyse your Business

When marketing for new customers there are four critical questions that need to be answered.

- * What is the cost of generating a lead?
- * What is the conversion rate?
- * What is the initial value of each sale?
- * What is the residual value?

Where is our business coming from, new and repeat? In the majority of cases 80% of our business comes from 20% of our customers. Are you treating them as special customers, offering them more? You need to optimise your best customers, make them feel important.

Who will benefit more than you by your company becoming more successful?

Customers

The more successful you become the more you should share that success with your customers.

Suppliers

As you become more successful, so do they. They may be motivated to fund, help and support you in what you are doing – help with brochures, advertising, public relations, product development etc.

Employees

As you become more successful your staff will also benefit. Are they sold on you becoming more successful, and if they are, are you sharing the extra profit with them to encourage them to even greater success?

Others

You do business with all types of people, trade people, stationery suppliers etc, do you encourage to recommend you where appropriate?

Networking

Other companies deal with your customers. They also deal with customers you do not deal with and you deal with customers they do not deal with. Do you share information to help each other?

Industry Help

In other regions of the country, there are companies who do what you do, but are not competitors of yours. What are they doing that is successful, what are you doing that they are not doing? Share information to help each other.

Suppliers Salesmen

The salesmen who are supplying you are also supplying others. Who are their most successful customers and why. What are those customers doing?

Recommendations

Your customers will also know others who will buy your products /services. Ask them for their help, offer incentives for introductions. What can you offer them to help you build your business?

In any business transaction, one party is being asked to take on more risk than the other. Which ways can you reduce the risk for your customer when doing business with you? The more you reduce the risk, the more you reduce the resistance to buying.

There are three types of people in business

1. Those that give an excellent service, know it but do not advertise it.
2. Those that give an excellent service, do not know it and therefore cannot advertise it.
3. Those that do not give a good service

Does your product/service perform to a level you promised? If it does, then it will not cost you anything to guarantee and advertise that guarantee as a feature. If you are good and give an excellent service, tell people about it.

Test and measure. Do not commit yourself fully to something without first testing and measuring the cost to you.

Mission Statement

Be prepared to write, publish and live by your mission statement. Do not just say, “We aim to give good service” Spell out what that means and what guarantees you give if it goes wrong.

Guarantees

Be prepared to write, publish and stand by your guarantees. Do not publish a guarantee you cannot deliver on.

Training

Be prepared to train your staff to reflect the company you are trying to promote. Do not ask your staff to do anything you are not prepared to do. Lead by example.

Awards and Accreditation

If there are standards and awards or accreditation you can qualify for and obtain, then do all you need to do to get the awards. Customers are looking for proof of ability and skills.

Marketing is a process, blank time out in your dairy to stop and think marketing. Talk to your staff and train them to think marketing. Give them incentives to look for and produce new customers. It should not be left to the salesman to bring in all the new business.

The most successful companies go out of their way to help their customers at all times.

If your customers are dissatisfied, you will only find out from 4%, 96% will go quietly away and 91% will never come back. 68% will go because of an attitude of indifference towards the customer.

Companies who do not provide an excellent service average only 1% return on sales and lose 2% market share per year. Those that provide an excellent service average 12% return on sales and increase market share at the rate of 6% per year.

How to help employees?

- * Job satisfaction, including pay and security
- * Opportunity and fulfilment
- * Encouragement and coaching
- * Sense of belonging and respect
- * Providing skills, support and role models they can look up to

- * Trust, integrity from management
- * Fair days pay for the work that is being done

Conclusion

- * Image is vital and starts with your thinking
- * Have a vision for your business. How do you see your company in three, five, ten years from now?
- * Every aspect of your business needs to be checked to ensure that it is creating the right image
- * From your list in your marketing wall, decide which areas of marketing you are going to concentrate on
- * Marketing is a process. Create a marketing department/strategy. Bring in expertise if necessary. Think marketing. Be constantly aware of the opportunities available to you.
- * Help others at all times – customers and staff. Teach and encourage staff to help customers and colleagues. It is the key to building a large successful company

There is more to fear from inside inefficiency than there is from outside competition

Marketing is the lifeblood of any business, it is vital that each of us who are involved in running a business treat the process of marketing and market research with respect and ensure that every week, we are doing something to move our business forward.

As we have stated and reinforced regularly, without customers we do not have a business, without marketing we do not have customers. Resolve today to make market research and marketing a key activity of your future.