

DRAFT

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Summary

1. Introduction – Why You Need Marketing

In order to succeed, you need cashflow. To get cashflow, you need paying customers. To get customers, you need marketing.

As your own marketing director, you have to make decisions about:

- ◇ The product or service.
- ◇ Pricing.
- ◇ Customer service levels.
- ◇ Distribution.
- ◇ Advertising.
- ◇ PR.
- ◇ Selling.

2. Market Research

The better your market research, the smarter your decisions, and the more profitable you will be. Market research will:

- ◇ Help you to determine whether the idea is viable.
- ◇ Help you to identify the customers within your target markets.
- ◇ Help you to analyse the market and the competition.
- ◇ Help you to analyse your own capabilities.

Market research involves two routes to information. One is straight from the horse's mouth, asking the target market directly through:

- ◇ Questionnaires.
- ◇ Focus groups.
- ◇ Indirect research (spying, counting, etc.).

The second route is through existing sources of information. Whatever you do, you need to do it and keep doing it.

3. Pricing

Every product or service has a price. In order to set a price, you need to consider:

- Your cost price calculations (including pricing your time).
- How much are your customers motivated/influenced by price?
- Your pricing strategy (Cost plus, Market minus, Penetration, Skimming, etc.). Whatever you decide, stick to it and do not be afraid to ask!

4. The Image You Want to Project

Your image determines how your customers perceive you. Does your image instill trust, is it helpful to your business, or is it a hindrance? With regard to your image, you need to consider:

- ◇ The name you use for your company/product/service.
- ◇ The logo you use.
- ◇ The location you use (particularly relevant to retail).
- ◇ Working from home – pros and cons.

22. Marketing Communications

You need to bring your potential customers from being unaware of you to actually buying. To achieve that, you need to be able to communicate:

- ◇ What you do (who, what, where, how).
- ◇ Your unique selling proposition.
- ◇ Your features and benefits.
- ◇ Your marketing message (sales and image).

Again, once you have decided, stick to it.

6. Marketing Media

Once you have decided on your messages, the next step is to choose the right balance /mix of media from among all the options, including:

- ◇ Print media:
 - ◇ Business cards.
 - ◇ Brochures /flyers.
 - ◇ Direct mail.
 - ◇ Advertisement.
- ◇ PR:
 - ◇ Media releases.
 - ◇ Articles.
 - ◇ Newsletter.
- ◇ Broadcast media:
 - ◇ Radio.
 - ◇ Cinema.
 - ◇ TV.
 - ◇ On-line media.
- ◇ Outdoor and transit media:
 - ◇ Sales promotion media:
 - ◇ Packaging.
 - ◇ Point of sale.
 - ◇ Giveaways.
 - ◇ Exhibitions and trade fairs.

Match your Message to your Market using the right Medium (and budget).

7. Hired Guns

These include:

- ◇ The copywriter.
- ◇ The graphic designer.
- ◇ The PR consultant.

8. Word-of-Mouth

Word-of-mouth/referral is a powerful way of reaching new customers, particularly for small business. There are different sources:

- ◇ Existing customers (ask!).
- ◇ Friends and family (ask!).
- ◇ Professional colleagues (ask!).
- ◇ Influencers.

Develop word-of-mouth by looking at your dress code, behaviour, language, etc., via smart use of business cards, via “thank you” notes and a tracking system.

Go out and do it!

9. Selling & Distribution

You never stop selling. The trick is to stay true to your own style. Selling ultimately (but not only) is about clinching the deal. Keep trying and you will. Consider:

- ◇ Direct/indirect distribution channels (sales routes) to deliver your product or service.
- ◇ Export – pros and cons (your local area is very small as a home market).

10. Customer Relationship Management

Once you have acquired customers it makes good business sense to keep them. Work through the checklist on page 55. 1

11. Service Businesses

Because services are intangible, you need to put even more emphasis on marketing and added value. Image and people become key!

12. Daring to be Different!

You need to stand out. What can you do differently, how can you make people sit up and attract attention. Look at the examples and try to come up with ideas. Boldly go where no one has gone before!

13. Creating a Marketing Strategy

Tips to remember as you devise and develop your own marketing strategy:

- ◇ The main goal of your business is to create a coherent marketing strategy that will drive the engine of your business.
- ◇ Understand the business context in which you operate.
- ◇ Make time for keeping up-to-date on the latest developments in your market.
- ◇ Your customers are the lifeblood of your business – without them, your business will not survive.
- ◇ It's not enough for your customers to need your product or service, they have to want it.
- ◇ Once you have achieved your short-term goal of acquiring new customers, devote most of your efforts to pampering your existing customers.
- ◇ Guide your customers from unawareness through awareness through knowledge through preference through conviction to action.
- ◇ Develop a positioning statement that expresses the core message you want all your internal and external communications channels to deliver.
- ◇ Develop a USP that communicates a powerful statement of the uniqueness of your service or product.
- ◇ Formulate the marketing messages that will attract customers and persuade them to do business with you.
- ◇ Convince yourself of the value of your product or service before you try and convince others.
- ◇ Think of yourself as a walking and talking marketing vehicle, dedicated 24 hours a day to projecting a positive image of your business.
- ◇ Your business card can be your most valuable marketing tool – the next card you give out could land you your biggest customer yet.
- ◇ Resist the temptation to write your own marketing literature or design your own visual communications.
- ◇ Look for opportunities to get a story about your business in the local, national and trade media.
- ◇ Find out if your potential customers will use the web to find you before you invest in a website.
- ◇ Always match your message to your market using the right medium.
- ◇ There are professionals out there who specialise in creating and communicating your visual and textual marketing messages.
- ◇ Explore the power of word-of-mouth referrals and the potential of joint venture marketing.
- ◇ Make your marketing efforts stand out from the crowd by daring to be different.

1 Why You Need Marketing

Whether you are about to launch your new small business, or your business is already up and running, marketing is the lifeblood of your business.

Marketing in a nutshell:

- ◇ In order for your small business to succeed, you need cashflow.
- ◇ To get cashflow, you need customers who pay you for your product or service.
- ◇ To get customers, you need to market your business.

It really is as simple as that.

Remember that it's not enough to produce a product or provide a service. Your #1 goal must be to market your product or service.

Marketing is all about letting people know that you are in business. However good the product or service you are offering, your business cannot survive unless you attract customers. You must create a coherent marketing strategy that drives the engine of your business and enables you to operate at a profit. Failure to do so means that all the energy and expense that went into creating your business plan will be wasted.

CASE STUDY: Mr. Wrigley & the Train

Mr. Wrigley, he of the famous chewing gum, was on a train journey. One of his bright young executives said to him, "Mr. Wrigley, the whole world knows your chewing gum. Just think of how much money you could save by drastically cutting the Wrigley marketing budget."

Mr. Wrigley turned to the young man and asked: "How is this carriage moving?"

"It's being pulled by the engine, sir", the young fellow replied.

"And what would happen if the engine stopped?"

"The train would grind to a halt, sir."

"Precisely", said Mr. Wrigley, "Just think of marketing as the engine which pulls the whole train. If we stop investing in the marketing of our chewing gum, the whole impetus of our business will slow down, and our operations will grind to a halt."

Marketing is not:

- ◇ A luxury.
- ◇ An expense.
- ◇ Something you can or cannot afford.

Marketing is:

- ◇ A financial investment – and your customers are your ROI (return on investment).
- ◇ A time investment – don't spend a single cent on marketing until you have taken the time to learn about your market, to consider your options, and to plan how to market your business.

Your time commitment to marketing is not negotiable. When I hear small businesses plead shortage of time as their excuse for not developing a coherent marketing strategy, I am reminded of a classic scene from *The Muppets*. A pressured Kermit has told Miss Piggy that he simply has no time on his schedule to see her. "Kermie," she snarls with her trademark malevolent smile, "MAKE time!"

Because marketing textbooks offer such a profusion of marketing terms, it is useful to start with some working definitions:

- ◇ **Business plan** – A working manual that spells out what your business is about – what you do and do not do, and what your ultimate goals are. Your business plan is a planning tool that helps you assess your business decisions within a wider context, and also shows how you plan to support your marketing operation
- ◇ **Marketing strategy** – Your marketing strategy (this is a better term than "marketing plan") forms part of your business plan, and presents a step-by-step guide to how you intend to implement the marketing elements of your business plan. Your marketing strategy is a roadmap that encompasses every aspect of marketing your business. Do not confuse marketing strategy with marketing tactics such as advertising and PR. Without a marketing strategy to give you

direction and focus, your marketing activities are like shooting from the hip

- ◇ Marketing activities – Marketing tactics – like advertising and PR – that help you deliver your marketing message to your potential customers. Marketing tactics cannot replace a properly defined marketing strategy.

Every business needs a marketing function. Someone has to be responsible for the marketing operations. If you run a small business, that someone may well be you.

As your own marketing director, you will have to make decisions about:

- ◇ The product or service.
- ◇ Pricing.
- ◇ Customer service levels.
- ◇ Distribution.
- ◇ Advertising.
- ◇ PR.
- ◇ Selling. At all times, you should always involve your staff in all your marketing activities. This publication is designed to take you step-by-step through the process of marketing your business:
- ◇ **In Chapter 2**, you will learn about the market research that will determine whether your idea is viable, and whether you can find a niche in the market of your choice.
- ◇ **Chapter 3** looks at pricing issues.
- ◇ **Chapter 4** discusses the image you wish to project for your business, including whether or not you need a brand name or logo, and where you establish your business base.
- ◇ **Chapter 5** helps you develop your marketing communications, which includes your positioning statement, your USP (Unique Selling Proposition) and your marketing messages.
- ◇ **Chapter 6** examines all the options that go into creating your own distinctive media mix: print media (such as advertisements and brochures), public relations (PR), broadcast media (TV, radio and cinema), on-line media (the Internet), outdoor and transit advertising (billboards and bus advertising), and sales promotion media.
- ◇ **Chapter 7** introduces you to the marketing professionals who can help you develop and implement your marketing strategy.
- ◇ **In Chapter 8**, you will learn about the importance of word of mouth marketing.
- ◇ **Chapter 9** is all about selling, distribution, and export.
- ◇ **Chapter 10** describes the role of Customer Relationship Management in your marketing strategy.
- ◇ **Chapter 11** is devoted to the special marketing challenges facing small businesses that offer a service rather than a product.
- ◇ **Chapter 12** looks at some offbeat ways of developing a marketing strategy.
- ◇ **Chapter 13** presents a sample marketing strategy.
- ◇ **Chapter 14** contains a list of useful contacts and addresses.

The goal of this workbook is to help you formulate and develop a marketing strategy with which to navigate your marketing route. As the Cheshire Cat said, when Alice asked which path to follow: "If you don't care where you're going, it doesn't make a difference which path you take."

2 Market Research

Why Do You Need Market Research?

Market research lies at the very core of your business planning. It begins the moment you decide that you want to start a new business – and never really ends.

Market research means becoming knowledgeable about your market. With market research, you will possess the information you need to make smart marketing decisions about your business. And the smarter your decisions, the more profitable your business will be.

Market research helps you to:

- ❖ Understand the business context in which you operate.
- ❖ Accurately identify and target your market.
- ❖ Check whether there is demand for your business idea in the market.
- ❖ Ascertain whether there really is a market for your product/service.
- ❖ Become knowledgeable about your potential customers.
- ❖ Identify what your customers want, demand and expect.
- ❖ Determine who are your competitors.
- ❖ Identify gaps and opportunities in the marketplace.
- ❖ Understand the industry in which you operate.
- ❖ Find out whether you know how to sell yourself.
- ❖ Determine the focus of your marketing strategy.
- ❖ Obtain feedback about your ideas.

Before a military commander attacks a stronghold, he tries to obtain military intelligence: aerial photos, building plans, and personal eyewitness accounts of the target. When you are targeting your market, you too need critical intelligence information: demographic data, business data, statistics, and eyewitness accounts from people who have operated in that market.

Market research never stops, which is why the data that underpins your decision-making must constantly be reviewed. The more you continuously monitor what is happening in the market, the better equipped you are to fine-tune your ongoing marketing operations.

Is Your Idea Viable?

No amount of market research can ever guarantee that your **business** will ultimately be viable. There are too many other variables at play here.

However, market research can help you determine whether your **idea** is viable in the first place. So even before you embark on gathering intelligence data on your market, you first have to develop and test your business idea by subjecting it to a critical analysis.

10 QUESTIONS ABOUT YOUR BUSINESS IDEA

1. Why is it a good idea?
2. On what assumptions is that opinion based?
3. How can you prove that those assumptions are correct?
4. What types of customer will be interested in your product/service?
5. Why?
6. List 4 reasons why the idea may not work?
7. List 4 reasons why your idea will work.
8. What is the difference about this idea from others already in the marketplace?
9. Why are those differences important?
10. What if ... you changed the product/service in some way?

Source: *Starting Your Own Business Workbook*, Oak Tree Press

Identifying Your Target Market

To identify and understand your target market, you need to know how your potential customers behave, their motivations, their perceptions, their preferences, their attitudes and their knowledge. You also need to know what your customers want.

Don't confuse **need** and **want**. How many times have you gone to the supermarket because you needed milk and bread – and emerged with a frozen Chinese meal, ice cream, a bottle of wine and some crisps. We may forget what we need, but we buy what we want.

That's why your products and services should reflect what your target market wants to buy rather than what you want to sell. And the best way of discovering what they want is to put yourself in their shoes:

- ◇ Think like a customer
- ◇ Look at your business like a customer
- ◇ Ask yourself if you are happy with every aspect of the buying experience.

Your customers must want your product or service. If they don't want it, even if they need it, you can't sell it.

When you are in the process of identifying your target market, you must learn to differentiate between your true customer (the one who signs the cheque) and the ultimate user/beneficiary.

EXAMPLE:

Phyllis runs a tourism venue that is an ideal attraction for senior citizen day trippers. Because she thought that her target market was the 50,000 senior citizens who belong to senior citizen clubs, she worried that her marketing efforts would prove too costly. It was only when she realised that her true target market consisted of just 150 social directors of senior citizen clubs that she was able to focus her attention on reaching these decision-makers. They, not she, had the job of persuading the 50,000 seniors to come and visit her tourist venue.

Some businesses have multiple target markets. They offer a range of products or services to several different markets. This is fine – just remember to get the mix right. You need to be sure that what you supply to one market does not offend or antagonise another market.

EXAMPLE:

Mike runs a delivery service specialising in house-to-house deliveries. One of the most important sources of his income is the local churches, which use Mike's service to have their parish magazines hand-delivered. When Mike agreed to deliver packages for a new customer who rented out adult videos, Mike's church customers were not impressed.

As you gather your intelligence data on your target market, you need to focus on several different aspects of your market to help you understand why certain people will become your customers and why others won't. For example, caravan owners are much more likely to buy caravan equipment than non-caravan owners. The more detailed your information, the better you will be able to identify potential customers. And the better you can identify them, the better you will be able to target them later.

Analysis of your target market (prospective customers)

This involves answering these questions:

- ◇ What is the age, gender and income level profile of your customers?
- ◇ What language(s) do they speak?
- ◇ What is their marital status?
- ◇ What nationality are they?
- ◇ What distinguishes their culture and their lifestyle?
- ◇ What are their extra-curricular activities, interests, hobbies?
- ◇ Where are they located?
- ◇ What do they want and what don't they want?
- ◇ What motivates them to buy?
- ◇ Where do they normally buy similar products (in a store, Golden Pages, direct mail)?

- ◇ Why do they buy this product or service?
- ◇ When do they decide to buy this product or service?
- ◇ What do they listen to on the radio?
- ◇ What do they watch on TV?
- ◇ What daily and local newspapers do they read?
- ◇ Where do they socialise?
- ◇ What is their sexual orientation?
- ◇ How do they spend their money?
- ◇ Who makes the purchasing decision (husband, wife, child, buyer, manager, secretary)?
- ◇ What would persuade them to come to you rather than to the competition?

Analysis of the market/industry

This involves answering these questions:

- ◇ Are you trying to attract business customers (what is known as B2B – business to business)?
- ◇ Are you trying to attract consumers (what is known as B2C – business to consumer)?
- ◇ Is there sufficient demand (is the market big enough) for you to make money?
- ◇ Can you identify a niche in the market that is under-served?
- ◇ Is there a gap in the market that you can fill?
- ◇ Are you offering something new to the market?

Analysis of the competition

This involves answering these questions:

- ◇ Do you know who your direct competitors are?
- ◇ Do you know who your indirect competitors (those competing for the same money pool) are?
- ◇ Will your entry into the market be a threat to your competitors?
- ◇ How are they likely to react?
- ◇ What are their capabilities?
- ◇ What are their future prospects?
- ◇ Is there too much competition in the market?

- ◇ Is there too little competition?
- ◇ What are the weaknesses in your competition's offering?
- ◇ What alternatives do your customers have to your product/service?

Analysis of your own capabilities

It is also worth asking yourself some pertinent questions about yourself:

- ◇ What areas of marketing are you comfortable with?
- ◇ What areas of marketing are you weak in?
- ◇ Have you instilled the right attitudes to customer satisfaction in your staff?
- ◇ Is the marketing culture in your business strong enough?

Finding the Information You Need

Once you have identified in which areas you need information, you need to know how to go about obtaining this information. Market research consists of:

- ◇ **Primary research** in which you go directly to the target market and ask questions.
- ◇ **Secondary research** in which you look for sources of information.

If you conduct your secondary research before your primary research, you will be able to formulate better questions. You'll find much of the secondary research information you need free of charge at your public library or on the Internet.

A huge amount of secondary research is available from publicly accessible information sources:

- ◇ Central Statistics Office (www.cso.ie).
- ◇ Enterprise Ireland (www.enterpriseireland.com).
- ◇ Government Publications Office.
- ◇ Government Departments and State Agencies (www.irlgov.ie and www.basis.ie).
- ◇ Business magazines.
- ◇ Local and national newspapers.

- ◇ Banks.
- ◇ Business Innovation Centres.
- ◇ County and City Enterprise Boards (www.etradebusinessireland.com).
- ◇ Area Partnership Companies.
- ◇ LEADER+ companies.
- ◇ Professional associations .
- ◇ Trade bodies.
- ◇ Trade associations.
- ◇ Trade publications.
- ◇ Trade directories.
- ◇ Chambers of Commerce (www.chambersireland.ie).
- ◇ Trade exhibitions and conferences.
- ◇ Web-based directories and resources.
- ◇ Non-profit agencies.
- ◇ Back issues of magazines and newspapers.
- ◇ Golden Pages.
- ◇ Competitors' catalogues, brochures and price lists.
- ◇ Professional advisers (accountants, solicitors, consultants).
- ◇ Local authorities.
- ◇ Business websites (such as www.startingabusinessinireland.com).
- ◇ Universities and colleges.

Questionnaire

Armed with this background information, you can now conduct primary research to help you understand the nuts and bolts of your market.

Qualitative research refers to in-depth studies done on individuals and/or smaller groups. **Quantitative research** is used to generate a large quantity of data that will form the basis for making predictions.

Small businesses can rarely afford comprehensive quantitative research. A more realistic alternative is to concentrate on qualitative research such as questionnaires and focus groups.

Your questionnaire should be based on all the preparatory information you have gathered. To encourage your prospective customers to complete your questionnaire, keep it relatively short and uncomplicated.

YOUR MARKET RESEARCH QUESTIONNAIRE

Write down 10 questions you would like to ask the representative sample of your target market:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Focus groups

Another way of collecting valuable market data is by using a focus group.

The function of a focus group is to provide you with feedback on your ideas. You assemble up to 10 people together in one room, and get them to discuss and react to a specific topic relevant to your business. These deliberations, preferably moderated by an outside facilitator, can often provide you with richer and more in-depth data than questionnaires.

FOCUS GROUP CHECKLIST

1. Choose a venue that provides a comfortable environment for constructive discussion.
2. Choose a professional facilitator.
3. Provide a free lunch – and you won't need to pay them for their time!
4. Select participants carefully to obtain a balanced mix of experience and skills.
5. Select participants who represent your target market.
6. The facilitator must ensure that every participant expresses an individual opinion.
7. A focus group is not a jury – there does not have to be unanimity.
8. The aim of the group is to focus on a number of key issues – make sure that these issues are clearly explained.
9. Make sure the discussions are minuted.

Indirect research Sometimes, you will not be able to obtain the information you need from first-hand sources. Use your ingenuity to indirectly tap the information you require:

- ❖ Count how many cars are in your competitors' parking lots.
- ❖ Count the "footfall" (the number of people passing a particular spot) outside the premises you intend to buy.
- ❖ Count the footfall going into your competitors' premises.

- ❖ Count the number of trucks delivering to your competitors.

The results of your primary and secondary market research will form the basis for formulating your marketing strategy. Check that you have covered all the relevant elements.

MARKET RESEARCH CHECKLIST	
Does your market research cover:	
Market size and structure	YES/NO
Market trends	YES/NO
Market potential	YES/NO
Market share	YES/NO
Level of competition in the market	YES/NO
Competitor products/services	YES/NO
Competitor prices	YES/NO
Customer profile	YES/NO
Customer attitudes	YES/NO
Demographic factors	YES/NO
Economic factors	YES/NO
Industry factors	YES/NO
Government factors	YES/NO
Level of demand for your product/service	YES/NO

CASE STUDY

Ciaran trained as a travel consultant, and set up his own travel agency on a busy high street. As the local population grew in size, his business volume grew as well. Encouraged by this growth, Ciaran decided to install an ambitious new computerised booking system. Months after it was up and running, the major airlines whose tickets Ciaran sold slashed the commissions paid to travel agencies. If he had been following market trends, he would have seen that more and more people were booking tickets online. He would have explored ways of diversifying his business. Instead, Ciaran invested in expensive infrastructure. In his eagerness to expand, he took his eye off the market research ball.

Market research must never be a one-off event. You must constantly acquire vital information about the evolution of your market and your industry. Learn from Bill Gates. Every year, he takes a week off with just a suitcase full of books in order to catch up on essential reading.

3 Pricing

A related but separate area of market research is pricing. Every product or service you intend to offer must have a price set for it. In determining your pricing policy, you need to calculate your:

- ◇ Production costs.
- ◇ Profit margins.
- ◇ Overheads.
- ◇ Promotional and advertising expenses.
- ◇ Delivery costs. You also have to juggle with several different variables:
- ◇ The lowest price you can afford to charge and still make a profit.
- ◇ The price your customers are used to paying for a similar product or service.
- ◇ The highest price you can charge and still attract enough customers to be profitable. Price is often a compromise between you and your customer:
- ◇ You want to charge as high as the market will allow.
- ◇ Your customer wants to pay as little as possible.

Once you have determined your pricing structure, stick with it. Try and get your pricing right from the beginning – raising your prices later runs the risk of antagonising your customers.

Remember that while some customers use price as the sole criterion for their buying decisions, others give greater consideration to service, dependability, and convenience value. Before you determine the price of your product or service, you need to know what motivates your customers.

One way of testing your proposed pricing policy is to ask the people who should, would or could be interested in your product or service:

- ◇ What would you regard as a fair price?
- ◇ What would you regard as too low a price?

- ◇ What would you regard as too high a price?

Ask them to be honest, and not just to give you the answers you want to hear.

Remember that pricing is not always an exact science. Although, logically, the more standardised your product or service, the more price sensitive it becomes, this logic does not always stand up. In some markets, especially in the services sector, there can be a sort of reverse psychology. The more you charge, the more customers you attract.

EXAMPLE 1:

You produce a flavoured milk drink that you want to sell to a small 5-store local chain of grocers. In order to be competitive, you will have to sell the drink to the chain at the same price they are paying their existing supplier – or even lower.

EXAMPLE 2:

You run a call-out plumbing service. The going rate in the area is €20. You will have a problem trying to charge much more.

EXAMPLE 3:

You are a physiotherapist. You charge 50% more than all the other physiotherapists in town. People flock to you because they think: "If he's charging so much, he must be good."

Pricing Strategies

There are several types of pricing strategy:

- ◇ **Cost-based pricing** – You arrive at the price by adding the costs of production (material, labour, fixed and variable overheads) and business operations to a profit margin. This is a popular strategy in manufacturing.

- ◇ **Mark-up pricing** – You add a pre-set percentage to the cost of goods from your supplier + distribution costs. This is a popular strategy in retail.
- ◇ **Demand-based pricing** – You determine price according to what customers are willing to pay.
- ◇ **Follow the market pricing** – You set your price by following the usual or average price of your competitors.
- ◇ **Penetration/loss leader pricing** – You offer a low price or below cost price in order to attract customers away from the competition. Note that the prices of certain items such as milk and bread are subject to special regulations regarding minimum price.
- ◇ **Price skimming** – You go in with an initial high price, and reduce the price as the market becomes saturated or as the novelty value wears off. Look at how computer prices plummet just a few months after they are launched.
- ◇ **Time-based pricing** – This is common practice for service businesses, whereby you agree a fee per hour and calculate the number of hours the job takes or should take.

Negotiating Prices

If you have never had to negotiate prices before, you may find that you are reticent to talk about money to your customer. You may feel such gratitude and relief that you have received an order that your business sense goes out the window and you charge a price that is too low. Get over it!

Make a list of features and benefits for each product, and put a price on each benefit. You will soon find yourself well able to justify your price.

Small businesses are often frightened by their own pricing. Even though you know that your sums are right, there is a temptation to underprice, especially if business is slow. Customers are quick to sense your embarrassment, and will exploit it if they can.

If you find yourself breaking into a cold sweat every time you have to communicate your price, it means that you yourself are not yet convinced of the value of your product or service. Always maintain eye contact with your customer when you are discussing price. Your steady gaze helps your customer believe that your product/service is worth the money.

DETERMINING YOUR PRICING STRUCTURE

What are customers used to paying at present?	€ ____
What do your competitors charge for a similar product/service (on average)?	€ ____
What is your price?	€ ____
What are the components of your price? Materials	€ ____
Time	€ ____
Equipment cost	€ ____
Distribution	€ ____
Other costs	€ ____
Total costs	€ ____
Profit margin	€ ____
Selling price	€ ____
Will you offer discounts?	Yes/No
If yes, what kind of discount?	
Will you give special offers?	Yes/No
If yes, what kind of special offers?	

4 The Image You Want to Project

The Importance of Image

Once you have identified your market, you need to give attention to the image you wish your business to project. The decisions you make about your business image will influence the way you are perceived by your customers. The question you need to ask yourself is: Is my image a help or a hindrance to my business?

The impression you make on others depends on several image factors:

- ◇ Dress code and grooming.
- ◇ Personal hygiene.
- ◇ Attitude.
- ◇ Politeness.

- ◇ The car you drive.
- ◇ The location of your business.
- ◇ The name of your business.
- ◇ Your staff.
- ◇ Your business cards.
- ◇ Your logo.
- ◇ The message on your answer phone.

You can't afford to dismiss the image issue. You can produce the world's highest-precision paper clip, or give the world's most heavenly massage, but if you're not making the right impression on your customers, you'll find you don't have any.

The situations below show you how image can play a key role:

SITUATION	HELPFUL IMAGE	UNHELPFUL IMAGE
You are making an important presentation to a potential customer.	You turn up early and make sure that everything is in working order for your presentation.	You turn up late and fumble your way through the presentation.
You sell high-quality bedroom furniture.	Your delivery person dusts the newly-installed furniture, and everything around it.	You turn up to deliver the furniture in a battered old van.
You run a small jam and preserves company with its own shop.	You give out a small sample jar with every over-the-counter order.	Customers in the shop can see your employees smoking in the back.
You run a childcare facility.	You greet each parent by name as they bring their child each morning.	Your hair is unkempt, your clothes are scruffy, and you have BO.
You are giving a seminar to would-be entrepreneurs.	You hand out a synopsis of your seminar for the audience to refer to later.	You are not careful with your language, and offend some of the participants.

Remember that customers like dealing with a reputable business. Project the image of success. Project a professional appearance.

Talk the language of "we" rather than "I". In the B2B (business to business) field especially, customers are often more comfortable dealing with entities rather than with individuals.

Your aim at all times is to develop and maintain a consistent image that is

reflected in everything you do. Have a look in the mirror as you start your work-day and ask: "Would I be comfortable doing business with this person?" Because that is exactly what customers are asking themselves: "Can I trust this person/business to deliver the benefits they promise?"

You are your own walking and talking marketing vehicle. Think of yourself as a company van, with your business' name and contact details emblazoned on your front, back and sides.

16 Your Name as Image

The name of your business, product or service also impacts on your image.

One of the first decisions any small business has to make is whether to use their own name or to create a brand name for the business.

If you are a solicitor, accountant, mortgage broker or auctioneer, it is traditional – but not mandatory – for your name to be synonymous with the business name. If you produce consumer items to be sold in retail outlets, you are more likely to want to create your own brand name. Look at the examples in the table, and decide what makes sense for you.

DESCRIPTION OF BUSINESS	USING YOUR OWN NAME	CREATING A NEW NAME
Pine furniture	Seamus Faulkner Pine Furniture	The Pine Place
House-cleaning service	Sally Whittaker House-Cleaning Services	Clean-Up
Landscape gardener	Steven Quinn Landscape Gardening	Verdant
Web designer	Deirdre Black Web Design	Online Web Design
PR consultant	Grainne O'Brien PR Consultancy	Image Consultants
Engineering	Mary Hughes Engineering	Proto Engineering
Fashion boutique	Stella McArdle Fashions	Bucks Fizz
Insurance	Peter Malone Insurances	QuoteDirect
Milk-based fruit drink	Connolly Dairies Fruit Drink	Tootee-Frootee
Plastic garden chair	Daly Brothers' Garden Chair	The Relax Range of garden chairs
Safety at Work training programme	The Jan Butler Consultants' Safety at Work Training Programme	Watch It!
Recipe book	The Dave Macintosh Recipe Book	Yummy!

In the end, it is a comfort thing. There are no rights and wrongs. Go with your intuition. When Apple computers first hit the market, many eyebrows were raised when people encountered this strange-sounding brand name for the first time. But did anyone decide not to buy an Apple because it had a funny name? Unlikely.

Bearing in mind that your business is surrounded by mass-volume advertising and brand promotion, you need to ask yourself: "Are my brand names making it easier or harder for my customers to recognise and value my business?"

While you might think that your products and services will benefit from a brand name, your business may actually suffer if customers perceive this as being too smart by half. Use your market research to help you decide.

If you do decide to create a new brand name, the panel has some useful tips.

BRAND NAME TIPS

1. Avoid names that are too long, too complicated, too difficult to pronounce or too difficult to spell – unless you believe that the novelty factor will work to your advantage.
2. Avoid initials unless they mean something.
3. Avoid names that could be confusing for your customers – unless this is deliberate (such as FCUK – French Connection UK).
4. Brainstorm (by yourself or with others).
5. Make your decision and move on, otherwise you end up wasting valuable time.
6. Don't ask too many people their opinion – names are intuitive, not scientific.

CASE STUDY

When Dundalk-based PC assembler Romak Computers embarked on a re-branding exercise, they called in a copywriter (see **Chapter 7: Hired Guns**) to facilitate a brainstorming session aimed at finding a new name. The copywriter brought a list of 30 names to the meeting, and persuaded the participants to agree in advance that by the end of the 2-hour allotted timeframe, they would choose a name. Ten of the names were struck off because they were too similar to existing company names. Ten names were rejected as unsuitable, and a further 5 were rejected as not being special enough. Finally, one of the 5 remaining names emerged as everyone's favourite. The company chose the name **iQon Technologies**, and the very same day a graphic designer was asked to work on designs based on the new name.

Remember that the most creative name in the world cannot make up for defective quality or service. The last thing you want is for customers to associate your name with negative experiences.

Do You Need a Logo?

Logos can be powerful images. Think of the Nike swoosh, the graphic treatment of the words Coca Cola, and the Volkswagen symbol.

But does a small business need a logo?

Certainly, a well-designed logo can often add to your image. As a small business, you will need to invest in a basic design language anyway, if only to have business cards, invoices and letterheads. Whether you invest specifically in a logo really depends on what line of business you are in.

A useful yardstick for deciding whether you need a logo is whether you have a brand name. Some of the examples we looked at earlier – such as The Pine Place and Tootie-Frootie – would be obvious

candidates for either a unique graphic symbol or a stylised visualisation of the name itself.

The chapter on marketing professionals later tells you what sort of things you should be looking for when choosing someone to design your logo.

Your Location as Image

You have probably heard the famous adage about the three things that determine the success of a retail shop: **Location, Location, Location.**

Location can also have image implications for retail outlets. Location can have less critical image implications for non-retail businesses, such as:

- ◇ Businesses where the customer never steps inside an office – a window-cleaning business or a mail order business.
- ◇ Businesses that are more geared to serving other businesses (B2B – business to business).
- ◇ Service businesses. Whether you are retail or not, your decision regarding location should take account of business, marketing and image considerations.

LOCATION CHECKLIST

1. What are your location options (shopping mall, shopping area, hotel district, restaurant district, office building, town centre, industrial estate, home, suburbs, village)?
2. What does the area look like?
3. How easy is it to find?
4. Will this location draw the customers you are looking for?
5. Could this location turn your customers off?
6. Do you need to provide a map to help your customers find you?
7. What will customers see and experience when they visit your business?

Locating your business in a small community has its own advantages.

The smaller customer base means that the number of potential customers you need to reach is smaller. Your advertising costs are usually much less than in the major cities, and in a small community you can make an immediate presence.

The downside to being located in a small community is that unless your market is not geographically dependent, your potential market is more restricted.

You can also afford to make fewer mistakes in a smaller community. In larger population bases, you can make mistakes without everyone knowing about it.

Working from home

Some small businesses can get away with being located in the home of the business owner. There is something very appealing about swapping the early morning rush hour for a commute that takes you all the way from your bedroom to your home office. However, running your business from home doesn't work for everyone and doesn't work for every business. Look at the checklist before you rush to convert your home into your workplace.

Over 8,000 new home businesses start every day in America. They even have a cute name for people who operate from home. They are called the "Pyjama Set" (because the myth says that they can work in their pyjamas until noon or later!).

WORKING FROM HOME CHECKLIST

1. Is your business suitable for working from home?
2. How will your customers react to a home-based business?
3. Are you able to separate your work space and your living space?
4. Are you the sort of person who needs to interact with others on a daily basis?
5. Have you studied the tax implications of working from home?
6. Is there anything in your lease which forbids certain types of commercial activity on your premises?
7. Do you have the self-discipline to work from home?
8. What happens when you want to employ staff? Are you mentally prepared for employees using part of your home like a regular office, including access to bathrooms?
9. What does your family have to say?

5 Marketing Communications

Once you have identified your target market and established an image that suits your business, you need to develop your own marketing communications language. This will enable you to communicate the real and perceived benefits of your product, your service or your business to your potential customers. The role of your marketing communications is to shepherd customers from unawareness to action via five key stages:

- ◇ **STAGE 1:** From unawareness to awareness – becoming aware of your existence.
- ◇ **STAGE 2:** From awareness to knowledge – understanding what you do and what you are offering.
- ◇ **STAGE 3:** From knowledge to preference – liking what you offer more than what the competition offers.
- ◇ **STAGE 4:** From preference to conviction – deciding to do business with you.
- ◇ **STAGE 5:** From conviction to action – performing the purchase act.

In this chapter, we will look at several distinct layers of your marketing communications strategy, starting with your positioning statement and your unique selling proposition (USP).

YOUR POSITIONING STATEMENT

When someone asks you, “So, what do you do?”, you need to be able to respond:

- ◇ Clearly.
- ◇ Concisely.
- ◇ Convincingly.
- ◇ Consistently.

That’s why you need a positioning statement that expresses the core message you want all your communications channels (internal and external) to deliver.

Try and imagine that every time you meet a potential customer (face-to-face, on the phone, via a direct sales letter, through an ad or PR piece on you in the local media), he or she is asking you seven basic questions:

- ◇ WHO are you?
- ◇ WHAT do you do?
- ◇ WHAT market do you serve?
- ◇ WHO have you worked with?
- ◇ WHAT is so special about your business?
- ◇ WHERE can I find you?
- ◇ HOW do I initiate business with you?

The better crafted and clearly differentiated your positioning statement, the faster you can move your customers along the awareness continuum to the action stage. Remember, you don’t always know in advance how much time you have to make that crucial first impression, so it’s best to prepare a range of positioning statements.

Don’t be caught off guard when you’re asked what you do. A fumbled “Oh I don’t do anything special” or “That’s a difficult question” just won’t do. Practice your answer so that it comes out like a mantra.

Exercise

WRITE A ONE-LINE POSITIONING STATEMENT IN ANSWER TO THE QUESTION:
WHAT DO YOU DO?

WRITE A ONE-SENTENCE POSITIONING STATEMENT IN ANSWER TO THE QUESTION:
WHAT DO YOU DO?

WRITE A ONE-PARAGRAPH POSITIONING STATEMENT IN ANSWER TO THE QUESTION:
WHAT DO YOU DO?

Once you have formulated a positioning statement that you are happy with, make sure that everyone involved in your marketing communications, PR and sales operation is familiar with it. They too have to be able to answer clearly, concisely, convincingly and consistently when asked about your business.

Your Unique Selling Proposition (USP)

Developing a positioning statement is a vital first step – but it is not enough:

- ❖ You might be a highly qualified child-carer – but so are many other childcarers in your market.
- ❖ You might be a gifted engineer – but so are many other engineers in your market.
- ❖ You might be a superb furniture-maker – but so are many other furniture-makers in your market.

Whatever technical skills, innovative products or creative ideas you possess will remain a secret unless you let people know.

Whether your competition is locally, nationally or even globally based, you need to find a distinct advantage.

Which is why your business needs its own Unique Selling Proposition – your USP – which:

- ❖ Communicates a powerful statement of the uniqueness of your service or product.
- ❖ Is the essence that runs through your entire operation.
- ❖ Projects a message about your commitment.
- ❖ Hints at the benefits of working with you.
- ❖ Sets you apart from your competition.

Your USP helps your business to stand out from the crowd. Differentiate yourself with something unique and memorable that helps your customers to remember you and persuades them to do business with you.

Here are some examples of how to develop your USP into a USP tagline that you can use in your marketing:

DESCRIPTION OF BUSINESS	ELEMENT OF UNIQUENESS	USP	USPTAGLINE
Grocery/convenience store in the very best location in town.	You offer ample parking and easy hassle-free access.	Convenience.	The most convenient shopping in town.
You have opened a graphic design studio after 15 years working in New York with a major graphic design studio.	You have won several industry awards for your work.	Record.	Effective design from award-winning designer.
Childcare facility.	You are the only professional who has trained in a new method of teaching children arithmetic skills through music.	Exclusivity.	The pioneers of arithmetic teaching through music.
You run a repair garage, and you are aware of the bad reputation of auto repair establishments.	Your USP is that you promise to undertake a job only if there is real need.	Trustworthiness.	If Your Car's OK, We Won't Fix It.
Kitchen table manufacturer.	You use only top quality materials and workmanship.	Reliability.	You'll still be sitting at our table 20 years from now.
You are a white goods retailer, and the products you sell are also available from your competitors at a similar price.	You offer very fast delivery and, even if your competitors offer the same service, you can be the first to emphasise this particular advantage.	Speed.	Buy today, we'll deliver it tonight.
Sandwich shop.	Unlike other sandwich shops, you make your own sandwiches fresh each day.	Freshness.	Home-Made Tastes Better.

Write down some elements that differentiate your business.

Now choose the most important element of uniqueness, and formulate a USP statement that you can trumpet at every opportunity.

Remember to expose your customers to your USP in all advertising material. As an exercise, write down your USP and your USP tagline.

Your features and benefits

Whether your business sells a product or a service, it has both key features (which are descriptive and factual) and key benefits (which are emotive).

You should never confuse features and benefits. Your customers need to know about the features, but it is the benefits that will persuade them to make the purchase.

PRODUCT/SERVICE	FEATURES	BENEFITS (VALUE PROPOSITION)
Sofa	Leather upholstery	Long-lasting
Book store	20,000 books	Massive choice
Childcare facility	Qualified staff	Peace of mind
Alternative healing	Massage bed	Calmness
Home-made cakes	Log-shaped	Mouth-watering
Folding kitchen	chairs Pine	Handy
Air conditioning units	3-speed power	Comfort
Insurance	Comprehensive cover	Security
Travel company	Linked to 10 major airline booking systems	Time-saving
Wedding dresses	Choice of fabrics	Glamour

Your Marketing Messages

Based on your positioning statement, your USP and your benefits, you can now formulate the marketing messages that will attract customers and convince them to work with you.

If you decide to employ marketing professionals (see **Chapter 7**) to help you conduct your marketing strategy, your marketing messages will form the basis of the creative brief you give them. If you decide to handle your own marketing, your marketing messages will become a constant theme running through all your marketing activities.

Remember that your marketing messages take time to establish themselves in the minds of your customers. Don't let thoughtless communication erode all the good work.

Once you find a marketing message that works for you, stay with it. Customers can become confused if you change messages, so unless it is imperative, don't depart from it.

CASE STUDY

In an unguarded moment during an after-dinner speech that was widely reported in the media, UK high-street retail jewellery-chain boss Gerald Ratner called his company's products "crap". He so offended customers that within a week, sales in hundreds of Ratner's stores plummeted, share values dried up, and eventually Ratner himself was forced out of the company he founded. His ill-chosen words destroyed years of developing his marketing message.

Image messages vs sales messages

We said at the start of this chapter that your marketing communications must shepherd customers from unawareness to action via five key stages.

Stage one was to make customers aware of your existence, and stage five was to act upon their conviction and to complete the purchase act.

When formulating your marketing messages, distinguish between:

- ❖ **Image** advertising focuses on the image of your business, and helps focus attention on your existence.
- ❖ **Sales** advertising focuses on closing the sale on your product or service.

Both forms of marketing messages are legitimate, but you need to be clear which you want.

TYPE OF BUSINESS	EXAMPLE OF IMAGE MESSAGE	EXAMPLE OF SALES MESSAGE
Training organisation	We have worked with blue- chip companies.	Sign up for our computer training course
Food manufacturer	Our manufacturing facilities comply with the highest quality standards.	Special offer on our home- made sausages.
Travel agency	We look after our customers.	New York weekend for under €400.
Printer	State-of-the-art printing equipment.	Free business cards when you order letterheads.
Computer-repair workshop	Highly trained maintenance engineers.	Free home call-out.

MARKETING MESSAGE CHECKLIST

1. What is your positioning statement?
2. What is your USP?
3. What are your value propositions (key benefits)?
4. What are the features?
5. Testimonials from satisfied customers.
6. Information about guarantees, service, installation, etc.
7. Prices and fees.
8. Payment/credit terms.
9. Ordering information.

6 Marketing Media

Introduction to the Media

In previous chapters, you determined who your target markets are, what image you want to project, and what marketing messages you wish to employ to reach your prospective customers.

Now comes the key decision-making moment: Which media to use?

This chapter explores the various advertising and marketing media that serve as communication vehicles to deliver your marketing message to your target market.

Before you can make an informed choice, you do need to know what is available out there and to gauge which media will work most effectively for your business.

The marketing literature offers a confusing array of different buzzwords to define the advertising and marketing media. These concepts are not always terribly useful when you need to decide which media to use in your marketing strategy.

Thus, to simplify the picture, we have divided the media into six main categories:

- ◇ PRINT MEDIA
 - ◇ Business cards.
 - ◇ Brochures, flyers, circulars.
 - ◇ Direct mail letter.
 - ◇ Newspaper and magazine advertisements.
- ◇ PUBLIC RELATIONS (PR)
 - ◇ Media releases.
 - ◇ Newsletters.
 - ◇ Sponsorship.
- ◇ BROADCAST MEDIA
 - ◇ Radio.
 - ◇ Cinema.
 - ◇ TV.

- ◇ ON-LINE MEDIA
 - ◇ Website.
- ◇ OUTDOOR & TRANSIT MEDIA
- ◇ SALES PROMOTION MEDIA
 - ◇ Packaging.
 - ◇ POS (Point of Sale).
 - ◇ Merchandising.
 - ◇ Giveaways.
 - ◇ Exhibitions and trade shows.

A seventh category – word-of-mouth marketing – is not strictly a medium, and will be dealt with separately.

Media Mix – Finding the Balance

Once you know the function (and cost) of the alternative media options, you can start developing a media mix: a combination of marketing activities tailored to your target audience and to your budget in order to achieve your marketing strategy.

The secret of a successful marketing mix can be summed up in the 4 Ms formula: **Match your Message to your Market using the right Medium.**

As you ponder which communication activity to use, remember that your customers are being bombarded with hundreds if not thousands of advertising messages every day. These messages are hitting them from many different sources, so it is smart to spread your messages among more than one single advertising activity.

One thing you can be sure of: you will never use every media option (even if you could afford them all!) to market your business, because certain media are suitable for some markets and not for others.

EXAMPLE 1:

If you open a fashion boutique and your target market is teenagers in the 12-17 age bracket, you are unlikely to reach them by advertising on a classical music programme on the radio.

If, however, you open a book and record store with a large classical music range, you may well choose to advertise on the classical music programme.

EXAMPLE 2:

If you open an engineering business specialising in building prototypes for industry, you are unlikely to reach your target market by sponsoring the local amateur theatre production.

If, however, you open a drama school, you may well choose to place an ad in the programme.

Just as you don't need to use every media, don't be tempted to rely on just one medium. Think of your marketing media as a toolbox containing a choice of ways that promote your business. At different times, for different occasions, and for different target audiences, choose the combination of media you feel are most effective.

CASE STUDY

John had a small accounting business, and wanted to increase his exposure in the local media.

He made a €5,000 donation to a local charity's annual gala fundraiser, in the hope that this would make a great news story.

His gesture was greatly appreciated by the charity, and indeed he gained one brief story and photo in the local paper. But for this moment of glory, John had blown away his annual marketing budget.

If John's goal was to be a philanthropist, his donation made sense. But since his goal was to drive his business by attracting positive media exposure, he could have spent the money more wisely on a more diversified marketing and PR programme.

The marketing budget

There is no magic formula for determining your overall marketing budget. In the opening chapter, we said that marketing should not be regarded as an expense, but as a financial investment. You invest in marketing, and your customers are your ROI (return on investment).

It is really a question of balance. At every stage of your business development, you need to assess how much you must allocate to your marketing budget. It is not just a question of what you can afford. It is more a question of what you have to spend in order to expose your business to your target market. Becoming aware of the different media options, as well as non-media options, such as word-of-mouth, is the first stage. When you have assessed which media mix is the most effective for your particular business, then you can find out how much this costs, and try and build this into your budget.

Small businesses, in particular, by definition, will have limited resources. The trick is to creatively weigh up where you spend your money. That is why it is so important to track your marketing performance and results. Whatever your line of business, find a mechanism that allows you to monitor how your customers found out about you. Unless you know that, you will never know whether your particular media mix really works.

MEDIA MIX CHECKLIST

1. What role will each component of the media mix play in your total marketing effort?
2. On what do you base your decision to choose this particular mix of media?
3. Does each medium reach your intended audience?
4. Have you got the balance right?
5. Are you trying to do too much with too few resources?
6. Are you trying to reach non-essential targets?
7. Have you looked at cheaper alternatives?
8. Do you want to use the same media as your competitors?
9. Are you creating sufficient differentiation from your competitors?

6 (I) Print Media

Business Cards

The minimum requirement of any small business is to have business cards.

Your business card has a multitude of useful functions:

- ◇ Provides core information on your business.
- ◇ Projects your business image.
- ◇ Leaves a reminder when you're not there.
- ◇ Serves as a referral tool.

Your business card could be your most valuable marketing tool. Take them with you everywhere, hand them out generously, and you never know – the next card you give out could bring you your biggest customer yet.

Remember that your official job title is less important than a description of what you do:

- ◇ "Assertiveness- and confidence-building trainer" is more informative than "Trainer".
- ◇ "Expert in designing engineering prototypes" is more informative than "Engineer".

Here are some creative ways of using your business cards:

- ◇ Add a business card to every single bill you pay. The cost is minimal, and you never know who is on the receiving end at the electricity company, phone company, insurance company, credit card company, stationery supplier or professional association.
- ◇ Hand-deliver your card to every house within walking distance of your home and office. It's only natural for people to want to know what their neighbours do, and you never know who they know.
- ◇ Pin your card on free community boards in supermarkets, colleges and libraries. .

BUSINESS CARD CHECKLIST

1. Look at all the business cards you have collected – which ones stand out?
2. If you have a logo, can it be reproduced in the business card format?
3. Put the most important information at the top.
4. Don't forget your full contact details, including dialling code.
5. Don't forget your mobile phone number.
6. Use a business slogan, if you have one.
7. Is it appropriate to have your photo or a caricature of you on the card?
8. Do you want to add the logo of a professional organisation you belong to?
9. Will colour add to your message?
10. Use a good quality heavy card for extra durability.
11. Consider using an alternative material to paper/card, such as plastic, cork, wood, and so on.
12. Don't try and cram in too much information.
13. Make sure the information is easy to read

Don't forget that your business card has two sides! Use the reverse side to your advantage – a slogan, a quotation, details of your range of products/services, a calendar, emergency phone numbers, or anything else that could spark extra interest in your business.

Brochures, Flyers, Circulars

A brochure is a business tool that talks about the business when you're not there. Your brochure explains what your business is all about and how your product or service can be of benefit. And like ads, brochures can be either image-based or sales-based.

Before you rush off and have a brochure made, there are some questions to ask:

- ❖ Why do you need a brochure?
- ❖ Who is the brochure aimed at?
- ❖ How will the brochure reach your target market?
- ❖ Will a brochure convince your target market to do business with you?

Here is an example of a brochure text from a venture management company that wished to set out its stall for the benefit of potential customers. The brochure is neither too long nor too short – it addresses a particular niche market, it presents its marketing messages concisely, and it avoids unnecessary waffle.

PRIME MODE

Hands-on management consultancy services to help grow your venture.

Prime Mode - a management consultancy company

Prime Mode is a management consultancy company that provides small to large enterprises in diverse industries with hands-on services to help grow their ventures.

Prime Mode works side-by-side with enterprises to rapidly meet and exceed their priority objectives and to help them reach "Prime Mode". We achieve this by using our signature results-based methodology that provides timely, performance-based and dedicated services powered by a world-class team with multi-sector global experience.

We help companies access markets and launch new initiatives, and we work closely with venture capitalists in due diligence and in managing portfolio ventures.

Our ventures

Prime Mode works with companies that have a proven track record, the potential for compelling value creation, and a strong fit with our proactive hands-on style. Ventures at various stages of design and delivery include:

- ❖ Setting up European business development for a fast-growing US-based pharmaceutical company.
- ❖ Helping an Irish software company penetrate the European market.
- ❖ Licensing an Irish online fraud detection and prevention technology into the UK.
- ❖ Launching a credit card for the youth market in Europe.
- ❖ Designing an in-house innovation engine for a major PC manufacturer.
- ❖ Conducting due diligence for a blue-chip venturing arm.

Our key differentiators

- ❖ Multi-sector international experience.
- ❖ Our vast global network, including Wharton Business School and its alumni.
- ❖ Superb operational and execution skills.
- ❖ We access and mobilise the highest calibre of practising and seasoned professionals.
- ❖ Expediting time to market.
- ❖ We are in for the long-term.

Our team

The Prime Mode team includes specialists in engineering, innovation, business development, project management, marketing, finance, operations, systems integration, outsourcing, licensing, and human resources. The breadth of our capabilities enables us to add value to the "old" and "new" economies, across multiple industries.

Flyers or circulars are a useful and low-cost way of highlighting special offers, sales, new product announcements and the like. The best place to display flyers and

circulars is in non-competitive locations where customers can pick them up (such as your chamber of commerce) or where they can see them (on bulletin boards).

BROCHURE CHECKLIST

1. Collect brochures from other companies, see what you like/don't like, and tell your designer.
2. Hire a professional writer to write your brochure.
3. Make sure your USP is reflected powerfully.
4. Your headline must cause enough interest to make the reader want to read further.
5. Don't be scared of long headlines.
6. Make liberal use of subheadings throughout the document.
7. Use as little or as much text needed to tell your story.
8. Keep the tone enthusiastic.
9. Use testimonials.
10. Keep sentences and paragraphs short.
11. Your logo alone can appear on the front cover.
12. Your logo and company details should appear on the back.
13. Always proofread your brochure before printing.
14. Reread the brochure and see whether you as a customer would be attracted by what it says.
15. Test the text with some potential customers.

DIRECT MAIL CHECKLIST

1. Use an opening headline that grabs the reader's attention.
2. Identify the reader's problem, generate a "That's exactly how I feel" response.
3. Tell the reader that you can solve their problem.
4. Convince the reader you have the credentials and the experience to provide the solution.
5. Detail the benefits your reader will gain from your product or service.
6. Introduce testimonials from satisfied customers.
7. Make the reader feel that he or she is missing out by not using your product or service.
8. Guarantee money-back satisfaction.
9. Spell out what the reader should do to contact you or to order your product/service.
10. Add a PS – they always get noticed.

Direct Mail

Direct mail is used when you wish to target a specific, named individual. Whether you are sending a direct mailer to one person or one thousand, you have to be sure that you are crystal clear in your message. Look at the checklist, and incorporate all the elements into your letter. The best advice is to get a professional to write the text and the accompanying letter. Remember, direct mail pieces can be in letter form, or in the form of response coupons, envelopes or other innovative formats.

Advertisements

Print ads are published in a variety of formats: local newspapers, national press, free newspapers, trade publications, local/national consumer magazines, and programmes (sports, cultural).

The cardinal rule with print ads is: **Don't confuse ego with effectiveness!** There is only ever one justification for spending your hard-earned cash on a print ad – that it reaches your target market. Your ad must effectively deliver your marketing message and bring in the customers. You must avoid other reasons, such as:

- ✧ You like seeing yourself/your business in print.
- ✧ You want to impress your family and friends.
- ✧ You want to do a favour to the owner of the publication.

Too many small businesses instinctively believe that the best way to advertise their existence is by running an ad in a local newspaper. Newspaper advertising can be the right solution, but it is not the only solution, nor necessarily the best solution.

Don't accept the print media price lists as definitive. You will usually be able to negotiate a better deal with local newspapers. If you find them too expensive and too inflexible, threaten to move your advertising to rival publications.

Here is an example of how a small firm of solicitors used the local newspaper effectively to put across their marketing messages. These are four of a series of ads that was part of an awareness campaign for O'Brien & O'Brien Solicitors (the name is fictitious, the ads are real).

<p>IT'S GOOD TO HAVE THE PROFESSIONALS ON YOUR SIDE</p>
<p>Whether you need advice in property law, business law, personal injuries, family law or wills, you want to be reassured that your needs are fully understood. That's why you can rely on the experience of the professionals at O'Brien & O'Brien. Our team of skilled solicitors and support personnel is here to offer you sound and sensible advice. Come in and talk to us.</p>
<p>LEGAL ADVICE WITHOUT THE TRAUMA</p>
<p>Seeking legal advice can be a traumatic experience. That's why it's good to rely on the professionals at O'Brien & O'Brien. Whether you want help with property law, business law, personal injuries, family law or wills, our team of skilled solicitors and support personnel is here to offer you sound, sensitive advice. Come in for a chat.</p>
<p>PROPERLY TRANSACTED PROPERTY TRANSACTIONS</p>
<p>When it comes to buying, selling, renting or leasing property, you need to be sure that you're getting sound legal advice. That's why you should talk to the professionals at O'Brien & O'Brien. Our team of skilled solicitors and support personnel will advise you on conveyancing and all other aspects of property transactions.</p>
<p>YOUR FAMILY WILL THANK YOU WHEN YOU'RE NO LONGER AROUND</p>
<p>Neglecting to make a Will can cause your family unnecessary hassle. The responsible way to settle your estate is to make a Will now. Call in today to O'Brien & O'Brien, and ask our team of skilled solicitors and support personnel to help you draw up your Will. Your family will thank you when you're no longer around.</p>

Note how the headlines are designed to attract initial attention, while the short text tells readers in a nutshell why they should come and pay a visit to O'Brien & O'Brien.

The ads achieved maximum impact because they were short, clearly focused, and invited immediate action – “call in today”.

Here is an example of an ad from a small supermarket. It contains a whole string of sales messages that are designed to attract the attention of shoppers thinking of doing their Xmas shopping.

<p>Whatever you need for Christmas, you're sure to find it at O'Brien's</p>
<p>You'll love our turkeys, hams, spiced beef and everything else for those special seasonal recipes.</p>
<p>You'll love our fresh beef, lamb and pork products, as well as our mouth-watering sausages.</p>
<p>You'll love our huge selection of wines, beers and spirits in our off-license – look for superb value labels from Spain, Argentina and Chile.</p>
<p>You'll love our glorious choice of confectionery items at cost price – that's right, cost price!</p>
<p>You'll love our colourful fruit and veg displays, our magnificent deli section, top value groceries, baby care products and household items.</p>
<p>You'll love our Christmas cakes that add such fun to your Christmas meals.</p>
<p>You'll love our Gift Vouchers from €5 to €50, the perfect thank-you gift and stocking-filler. O'Brien's – taking the hassle out of Xmas shopping.</p>

Many local newspapers offer a special price for 1-, 2- or 3-page announcements for new launches, new management, new staff, new service, new location, renovation, and so on. The way it works is that the publication gives you editorial space, and you ask your friends, business colleagues, suppliers and major customers to cover the cost of the page by taking an advertisement.

Be careful. It is tempting to do this, but the question must be like before: is this for your ego or will it be effective?

CASE STUDY

Sophie owned an accountancy and tax consultants office in a small town.

She was approached by the sales rep of a major Sunday newspaper that was planning a county supplement. At first, Sophie was very excited at the prospect of national exposure for her business, especially since they promised to publish her photo together with editorial information.

When she asked her marketing consultant for advice, he asked her a series of questions: "How big is the circulation of the paper inside the county? How many of the potential customers in the county read this paper? How many people outside the county will read the special supplement? How many people inside or outside the county will realistically decide to move their business to Sophie as a result of seeing her photo in the supplement?"

A chastened Sophie realised that the temptation to spend money on an ad in the supplement was based on ego, not on a realistic assessment of how many new customers the ad would draw.

Ads in Golden Pages and other directories

Some questions to ask yourself:

- ◇ Should you advertise in the Golden Pages?
- ◇ How big should your ad be?
- ◇ In which category(ies) should you advertise?
- ◇ In which editions of Golden Pages should you advertise?
- ◇ Does your target market use Golden Pages to look for your type of service?

There is no straightforward answer to these questions. Some businesses will tell you that their Golden Pages ad generates a sizeable proportion of their custom. Others will tell you that the Golden Pages is a waste of money. Your problem is discovering whether Golden Pages is an effective option for you and for your type of business.

For some honest feedback, look in the Golden Pages of an area far from your own, where you pose no competition. Phone some of the bigger advertisers in your category, and ask the owners whether the expense justifies the results.

CASE STUDY

Jason had worked as a copywriter (the person who writes the words of advertising) for an international advertising agency, and was setting up as a freelance copywriter.

He assumed that the Golden Pages was the place to advertise. However, there was no Copywriters category. The sales rep soothingly suggested Copyright Agents & Consultants – but he was only displaying his ignorance, since copywriting has nothing to do with copyright. The rep then suggested Advertising Agencies – but Jason was not an ad agency. The rep suggested Editing Services, Word Processing, Graphic Designers and Design & Image Consultants – but none of these are copywriting either.

In the end, Jason placed much less expensive ads in two media directories that had a Copywriters category.

Another thing to be wary of – think realistically before you pay for insertions outside your area. The deals you may be offered may be tempting, but there is no point being in any edition that does not reach – and is not read by – your target market.

PRINT AD CHECKLIST

1. Does the publication reach sufficient numbers of your target market?
2. Will your ad stand out among the clutter?
3. Can you afford to run a series of ads?
4. Have you used a bold headline that grabs attention and tells your reader that you can help them?
5. Have you given enough attention to the content?
6. Have you told your readers exactly what you are offering them?
7. Is there enough emphasis on the benefits of your product/service?
8. Have you told them how others (and which others) have benefited?
9. Have you told them what they must do to obtain what you offer?
10. Have you made it easy for them to find you/contact you?

SOME COMMON ERRORS WHEN PLANNING YOUR PRINT MEDIA	
ERROR	SOLUTION
Trying to write your own material.	Stick to your core area of competence. If you don't want unprofessional writing, let a professional writer write your ad, brochure and other print media.
Allocating responsibility for the brochure/website project to someone too junior.	Unless you want wasted time, costly rewrites and redesigns, you should appoint a senior decision-maker within your organisation (this could be yourself) to be involved in the project from the very beginning.
Trying to cram as much information as possible into the brochure.	Remember that less is very often more. The function of most brochures is not to sell, but to generate interest and to get potential clients to contact you. Keep the text simple, compact and relevant.
Saving money by using a desktop publishing software programme.	Off-the-shelf software can make you believe that you are a real designer, but you might end up with an uninspiring design that undermines your image.

PRINT MEDIA CHECKLIST				
Form of advertising	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from this ad?	How will you measure the effectiveness of this ad?
Business cards				
Ad in local newspapers				
Ad in national press				
Ad in trade publication				
Ad in free newspapers				
Ad in consumer magazines				
Ad in programmes (sports, cultural)				
Ad in Golden Pages and other directories				
Sales brochures				
Flyers and handouts				
Direct mail letter				
OTHER				

6 (II) PR (Public Relations)

You need to distinguish between proactive PR (deliberately and consciously setting out to make your business well known and well liked) and passive PR, where people get to like your business without you having to do anything specific to encourage them. We return to passive PR in **Chapter 8**.

The goals of PR are:

- ◇ To build a relationship with the public.
- ◇ To mould a positive opinion about you and your business.
- ◇ To bolster your image.
- ◇ To get you noticed by potential customers.
- ◇ To make existing customers feel good that they work with you.

In addition to targeting your existing and future customers, PR is also aimed at:

- ◇ The local and national business community.
- ◇ Local and national media.
- ◇ Your suppliers.
- ◇ Local government.
- ◇ Financial institutions.
- ◇ Trade organisations.
- ◇ Your competitors.
- ◇ Your own staff (“internal PR”).

Good PR also impacts on the people within your organisation. It reinforces their motivation and pride to be working with a successful company like yours.

A big advantage of PR is that it costs much less than paid-for advertising. For small businesses, one of the best vehicles for spreading the word about your business is the local media – newspapers and radio. Editors welcome news of local interest. If you can provide them with something newsworthy, there is a good chance that they will print it or broadcast it – which will add to your public profile and widen the number of people exposed to your business. As the case study shows, a local story can sometimes become a national story.

EXAMPLE OF GOOD PR:

You run a PC repair business, and you manage to rebuild some discarded PCs, which you donate to a local school for handicapped children.

If you deliberately publicise this, the publicity surrounding your generous deed can generate positive publicity for your business.

EXAMPLE OF BAD PR:

If one of your staff left your business and cited racial harassment as the reason, the publicity surrounding the claim could have a negative impact on your business – even if the claim is totally unfounded. You will find it harder to recruit staff, and some of your customers may wish to take their custom elsewhere.

CASE STUDY

Joe ran an auctioneering and property business in a provincial Irish town, and was given the exclusive rights by a builder to sell a new 50-home estate. On the morning that the sale of Phase I commenced, Joe found huge crowds outside his office. To alleviate the crush, he placed some benches out on the pavement, and ordered tea and sandwiches to be given to all those waiting. Sensing a media opportunity, he invited a freelance press photographer to record the unusual scene. Several major national papers featured the photo and the story, and suddenly the whole country knew about Joe and his business.

This had two important PR consequences. Joe’s standing in the local business community was enhanced, and builders in other counties approached Joe to use his flair to sell their properties.

OPPORTUNITIES FOR GETTING A STORY IN THE LOCAL MEDIA

Ask yourself whether any of the following apply to your business:

- ◇ Are you using a new or unusual technology, procedure or technique?
- ◇ Are you offering something unique that no one else is offering?
- ◇ Do you have something controversial to say about your market/industry?
- ◇ Do you have something provocative to say about the local business community?
- ◇ Do you have any special tips for consumers?
- ◇ Can you offer any special insight on a hot media topic?
- ◇ Have you won a big, complex or unusual project?
- ◇ Are you involved in any charity, school or other worthy community organisation?
- ◇ Are you celebrating any special anniversary (for example, "First year in business")?
- ◇ Have you taken on any new senior personnel?
- ◇ Have you moved into new/renovated premises?
- ◇ Have you won any professional award?
- ◇ Have you launched a new product line?
- ◇ Have you received a major export order?
- ◇ Have you given a speech locally/nationally/internationally?

What other opportunities are there for getting your business mentioned in the local media?

Media Release

Once you have found an angle for your story, you need a media release that will prompt the media to use it. Basically, a media release is a pseudo-news story that highlights something newsworthy about your business in a language familiar to the journalist.

Editors judge an item to be newsworthy if they believe that their readers or listeners will find it interesting, useful, entertaining – or better still, all three.

Once you establish a reputation for credibility with the local media, you will find that they use a well-written media release with almost no changes.

Remember that the media often needs you as much as you need them. They need to fill editorial space in their newspaper/magazine, you can make their job easier.

The secret about getting a story into the local media is to think like an editor. Ask yourself:

- ◇ What can I write that will make this story more useful to editors?
- ◇ How can I deliver my story in a professional, courteous way?

Using your media release as the basis for a story or news item is not the only thing that editors can do. They can also decide to send a reporter to interview you. An interview with you in the paper or on radio will further promote your public image.

There are several basic ingredients that will improve the chances of your media release generating positive publicity for your business. The media release on the next page was sent by iQon Technologies to the professional/trade media. As you read it, check off how the basic ingredients were incorporated to persuade editors of the professional media that this was an important story.

Public Speaking

If you can overcome your fear of public speaking, there are some valuable PR rewards awaiting you. Business and civic organisations are always looking for speakers for their meetings, and you can cultivate a reputation as someone willing to talk about your area of expertise. Offer to:

- ◇ Give a seminar.
- ◇ Open a school trade fair.
- ◇ Give a welcome speech to a foreign trade delegation or visiting dignitary.
- ◇ Deliver a report to a franchisees meeting.

Articles

Newspapers and other publications often welcome articles containing helpful tips. Submit a simple problem/solution-style article, a how-to article or a free advice article related to your product or service. State the problem, and then share some insightful tips. At the end of each article, include an identifier paragraph listing your name, company, what you do and your contact details. This will allow readers to contact you for more information about your services.

MEDIA RELEASE – SEPTEMBER 5 2002

iQon Technologies, Ireland's #1 Indigenous PC Manufacturer, launches new "Multimedia by Philips" X Series Designer PC range.

iQon Technologies, Ireland's largest indigenous computer manufacturer and the second largest supplier of consumer PCs and laptops in Ireland, today launched the Multimedia by Philips X Series range of designer PCs.

Developed in conjunction with Philips Electronics, the X series represents a new concept aimed at bridging the design gap between PCs and the latest consumer electronics products. Manufactured in a contemporary chrome and ivory finish, the X series has its design foundations in a new monitor developed and launched by the Philips Consumer Electronics team in Q1 of this year.

The design of the new X series is driven by a greater focus on the user's overall audio and visual experience. Among the new technologies incorporated into the X series are Real Flat CRT displays, Optical Mice, Dolby Digital surround sound and DVD recorder drives.

iQon Technologies are the exclusive European manufacturers of the "Multimedia by Philips" PC range that was co-developed with Philips Electronics in 1989. Multimedia by Philips is now the second-biggest selling consumer PC in Ireland, and is rapidly gaining significant market share in the UK via iQon's retail partner, the Argos Retail Group.

The launch of the X series comes just weeks after iQon Technologies moved into its new 32,000 sq.ft production and distribution facility in Dundalk, which has tripled the company's capacity. Two major brands are manufactured in the Dundalk facility: the iQon brand, which includes Qompanion notebooks, Qonnect workstations and Qommand servers; and the Multimedia by Philips brand of PCs.

iQon products are available via a nationwide network of independent resellers/dealers, as well as through retail chains including Shop Electric, ESB, Electric World and others.

iQon products are delivered directly by iQon of behalf of these retail chains, and backed by a nationwide technical support structure. The Multimedia by Philips X Series will be available from iQon retailers and resellers nationwide from 7 September 2002.

Ciaran O'Donoghue, head of sales and marketing: "Working with a company with the high profile of Philips, a recognised global leader in consumer electronics design, was of undoubted value in the development of our exciting new X series. With the PC becoming increasingly integrated into the fabric of everyday household life, particularly with the advent of broadband and wireless technology, we see PCs as ultimately evolving in the same design-driven direction as other consumer electronics products have done in recent years."

For further information, please contact Ciaran O'Donoghue at 042 9327270.

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INGREDIENT	DESCRIPTION	iQON MEDIA RELEASE
Date	If you don't put the date, editors won't know whether the story is out of date.	When editors see the date and the word "today" in the opening paragraph, they know that this is hot news.
Catchy headline	You will need a headline that immediately appeals to a busy editor.	Includes: company name, something about the company's achievement, name of the new product, and one of the world's most recognised brand names (Philips).
Opening paragraph	Not more than 2 sentences – must contain the entire story in a nutshell, and must make it worthwhile reading on.	If you only read paragraph #1, you know what this is all about.
Expand the story	Focus on the main story that is the subject of the media release.	Paragraphs #2 and #3 give more details about the new range of designer PCs being launched.
Use third-person	"The company plans..." rather than "we plan...".	The whole media release, except the quote, is written in an impartial and objective journalistic style.
Refrain from using too many superlatives	The editor must be able to distinguish real news from promotional spin.	Words like "fantastic", "brilliant" and "amazing" that were used in the advertising for this range have been dropped.
Background paragraph	At least one paragraph must give your story background and context.	Paragraphs #4 and #5 explain something about the company, its production capacity, its success until now, and the all-important Philips connection.
Secondary information	Mention other important information and anything else that portrays your business in a positive light.	Paragraph #6 provides information on availability.
Quote	Quote yourself, a senior partner/employee, a major client, or anyone else whose comments carry weight.	This quote from the head of sales and marketing is a legitimate excuse to promote the company and even hint at the company's vision.
Contact details	Name and phone number/email of contact person.	If editors want more information, they know exactly whom to contact.

EXAMPLE 1:

If you run a small animal clinic, you might write about "Ten Ways to Help Your Pets at Christmas-time".

EXAMPLE 2:

If you manufacture tables, you might write about "Ten Tips on Furniture Care".

When you produce PR material – media releases, articles, radio interview transcripts, speeches, and so on – make sure you exploit them (see checklist below).

EXPLOITING MEDIA MENTIONS CHECKLIST

1. Distribute copies to your customers.
2. Distribute copies to your bank manager.
3. Distribute copies to other interested parties.
4. Distribute copies to your staff.
5. Highlight a particularly complimentary comment or phrase.
6. Include a copy with every invoice.
7. Post a copy on your website.
8. Include a copy in any media kit/presentation folder.
9. Frame a copy for the waiting area of your business.
10. Frame a copy in your office.

CASE STUDY

Mona went to her local bank to request a short-term bridging loan to tide her over a temporary liquidity problem in her graphic design business.

Her bank manager rummaged through her file and found a copy of 2 articles from the local press that she had forwarded to him. "I see that you won a big contract from the Chamber of Commerce," he said, "and I see that you gave a seminar to the Empowering Women in Business network. I'm glad your business is thriving."

By keeping her bank in the PR loop, Mona had created a favourable environment for her business. When she needed something from the bank, the positive media image proved very useful indeed.

Trade PR

Your PR efforts need not be exclusively targeted at the local (or national) media. It might also make sense for your business to cultivate the editors of industry and trade publications. For example, if you have a craft business, and you have a story to tell, make yourself known to the editors of whatever publications speak to your particular market.

Newsletters

A newsletter can be:

- ❖ A great promotional tool.
- ❖ A valuable source of information for your customers.
- ❖ Relatively inexpensive to produce.
- ❖ A way of making your company look bigger than it really is.

A newsletter allows you to show off about your business in a legitimate way, and allows you to feature any aspect of your business that you want to push.

The newsletter is halfway between a brochure and a media release, and gives you more flexibility than either.

Even one-person companies can produce a newsletter – it doesn't have to be longer than two sides of A4.

There is little point sending out newsletters on a haphazard basis. You must adopt a regular publication schedule, which is normally at least twice a year, but can also be quarterly or even monthly. The whole idea of a newsletter is to remind customers and potential customers that your business is alive and kicking.

If you don't stick to a regular schedule, you could be sending out precisely the opposite message.

NEWSLETTER CHECKLIST

1. Most business owners do not find the time to produce the newsletter themselves.
2. Asking someone else within the organisation often means that the job never gets done.
3. The best solution is to hire a writer to write your newsletter.
4. Keep the content interesting and informative.
5. Give readers something of value (business tips, humour, special offer).
6. Encourage feedback (contests, letters to the editor).
7. Avoid too much text.
8. Use plenty of visual material (photos, charts).
9. Use an easy-to-read typeface size.
10. Use a conversational, personal style of writing.

If you do intend to produce a regular newsletter for your business, remember:

Advantages

- ◇ Ideal vehicle for addressing external (customers, suppliers, general public) and internal (employees) audiences.
- ◇ Allows you to speak less formally to your readers, scope for humour.
- ◇ Gives you the opportunity to profile leading clients.
- ◇ Useful way of announcing new orders.

Disadvantages

- ◇ Someone in the company must be designated as being responsible for collating the material and co-ordinating with the copywriter and designer.
- ◇ Chatty style could be counter-productive, you could be perceived as being not serious enough.
- ◇ You must publish at least twice a year, otherwise there is no continuity.
- ◇ You must have something fresh and interesting to say in each issue.

PR CHECKLIST				
Form of PR	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from this form of PR?	How will you measure the effectiveness of this?
Press releases				
Newsletters				
Seminars at professional events				
Guest speaker (Chamber)				
Sports sponsorship				
Cultural sponsorship				
Event sponsorship				
OTHER				

6 (III) Broadcast Media

Radio

You probably listen to the radio more often than you think. In your car, at home, at work. And if you listen to the radio, many of your customers do too.

Radio advertising has the potential to reach a lot of people, and as long as they are the people you are interested in, you can use well-written highly-focused radio ads to your advantage.

Successful and effective radio ads need:

- ◇ A strong introduction.
- ◇ A good offer.
- ◇ A clear and concise description of the benefits.
- ◇ Conversational tone – remember that the words on paper have to be spoken.
- ◇ Simplicity – the listener must absorb every word with minimum effort.
- ◇ A call to action.

Often, radio can be used to support your advertising in another medium. For example, “Answer the questions in the special coupon in your local paper, and you can win a free weekend in Paris”.

RADIO CHECKLIST

1. Is your product or service suitable for radio advertising?
2. Does your product require a visual demonstration?
3. Can your product or service be described in 30 seconds?
4. Can you use radio to generate leads?
5. Can you use radio to persuade people to call you (free information, free estimate, free sample)?
6. Is your budget big enough to afford a sustained radio campaign?

Radio advertising extends beyond radio ads. Most local stations offer plenty of sponsorship opportunities:

- ◇ ‘The local business news is brought to you courtesy of ...’
- ◇ ‘Lunchtime favourites are brought to you courtesy of ...’
- ◇ ‘The weather forecast is brought to courtesy of ...’

These sponsored messages can be ideal for a service business looking for greater name recognition and public profile. Enquire at your local station to see what deals are available

Cinema

Like radio advertising, cinema advertising can often be neglected by small businesses. The advent of multiplex cinemas means that there are now more opportunities to get your message across to cinema audiences. Cinema advertising is not cheap, but it is nothing like as expensive as TV.

Naturally, cinema advertising – like any advertising medium – is only suitable for particular target markets. Cinemas attract mainly younger audiences. If these are the people you want to reach, then cinema advertising may make sense.

CASE STUDY

Patricia runs a book and record store. She knows that each Christmas, crowds of kids (and their parents) are going to flock to the local cinema to see the latest Lord of the Rings and Harry Potter movies. Patricia books a 3-month slot at her local cineplex, covering the period early November to early February. In her 60-second cinema commercial, she informs audiences eagerly waiting to watch the movies that she carries a large range of Lord of the Rings and Harry Potter books, CDs, DVDs, videos and other merchandising. Her message is hitting her target audience just at the point when their attention is at a peak.

TV

TV advertising is usually too expensive for small businesses to afford. However, with the growing fragmentation of satellite and cable TV, there may be opportunities in niche markets.

A cut-price alternative to TV advertising is free TV advertising! If you can find an angle that TV editors could regard as newsworthy, you might gain valuable PR for your business.

CASE STUDY

An internationally famous pop star visited Israel several years ago to give a concert. Over the weekend, he asked to go to a toy store. All the media followed him to a toy store near his hotel. The entire country soon discovered in which toy store the pop star spent \$3,000 in half an hour. For years afterwards, the store owner had the TV coverage of the visit playing on closed loop video in the store.

BROADCAST MEDIA CHECKLIST				
Form of ad	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from this ad?	How will you measure the effectiveness of this ad?
Local radio				
National radio				
TV				
Cinema				
OTHER				

6 (IV) On-Line Media

There has never been a faster growing marketing tool than the Internet.

MEDIUM	NO. OF YEARS TO REACH 50 MILLION
Radio	30 years to attract 50 million listeners.
TV	13 years to attract 50 million viewers.
Internet	5 years to attract 50 million users.

Email is no longer a novelty, and today very few businesses have failed to recognise the speed and convenience benefits of being able to send and receive emails.

Most email users are also familiar with the World Wide Web, the millions of websites out there in cyberspace. Anyone with a business knows enough by now about the web to ask themselves whether they should have their own website.

The advantages of having your own website include:

- ◇ It provides information on your business 24 hours a day.
- ◇ You don't have to be on the other end of a phone line if a prospective customer wants to know more about you.
- ◇ It can help you attract new customers.
- ◇ It can help you support existing customers.
- ◇ It allows you to sell your product/service via electronic commerce (e-commerce).
- ◇ It lowers your operating costs: information dissemination, reaching clients, servicing clients, selling.

Reasons for not having a website include:

- ◇ Your customers don't use the web.
- ◇ Expense of creating the site.

- ◇ Expense of maintaining the site.
- ◇ Expense of updating the site.

There are some key questions you must ask yourself before pouring a small fortune into establishing an e-presence:

- ◇ Will my customers consider that I am not a serious business unless I have a site?
- ◇ Am I jumping on the website bandwagon because everyone else is?
- ◇ Will my business genuinely benefit from having my own site?
- ◇ Will my site be cost-effective?
- ◇ Is my type of business suitable for a web presence?
- ◇ Will I be able to update it regularly?
- ◇ Will my prospective customers look for me on the web?
- ◇ Do my customers use the web?
- ◇ Do my customers expect to find information on this kind of product/service on the web?
- ◇ Will I use my website for information, sales, or both?

If you decide that you do need a website, how do you go about doing this?

Technically, it is possible to produce your own website. But even if you have the technical skills to do so, remember that over 90% of non-professionally designed websites fail to produce enough income to return their software and hosting investment. Remember too that the time you spend on creating the website takes away from your core business – unless of course website design is your business.

You are better off seeking the professional services of a web design company. Ask around. Look at websites these companies have produced. Call them up and ask them if they are satisfied with the service.

Make sure you choose a company that offers you:

- ◇ Name registration.
- ◇ Good design.
- ◇ Hosting.
- ◇ Search engines.
- ◇ Maintenance.
- ◇ Special features, such as e-zines (electronic magazines/newsletters), pages designed as "doorways" to maximise search engine and listing service popularity, and online shopping carts.

It is also very important to develop links with other websites, whereby information on your business appears on other websites, and your website hosts information on other websites.

When you are giving the design company your brief for your website, make sure you bear in mind the following facts about on-line users:

- ◇ They appreciate good, clear design.
- ◇ They seek helpful content.
- ◇ They scan the screen rather than read word for word.
- ◇ They look for key words and concepts.
- ◇ They like a personal, upbeat tone in web writing.
- ◇ They are turned off by boring, long-winded writing.
- ◇ They want shorter sentences, shorter lines of text, shorter paragraphs and shorter pages.
- ◇ They like headings, subheadings and bulleted text.

- ◇ They prefer the active voice: 'We will customise ...' rather than the passive voice: 'The product will be customised for you'.
- ◇ They don't like having to guess who you are – they want to know what you do immediately, without having to scroll through several pages.
- ◇ They want to navigate your site easily and quickly.
- ◇ They want to be able to return to your home page at all times.
- ◇ They expect to find hypertext links.
- ◇ They don't want to see a replica of your print brochure.

Registering your site with search engines is not enough. If you want to improve the chances of people finding you on the web, you must insert your website address (URL) in every single marketing document:

- ◇ Print ads.
- ◇ Fax cover sheet.
- ◇ Invoices.
- ◇ Business cards.
- ◇ Business directories.
- ◇ Trade publications.
- ◇ On your shop/office window.

To get extra mileage out of your answering machine, use it to encourage people to visit your website. At the end of your message, say something like: "For more information on our services, please visit our website at ...".

ONLINE MEDIA CHECKLIST				
Website	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from your website?	How will you measure the effectiveness of your website?
Website				

6 (V) Outdoor & Transit Media

There are plenty of outdoor and transit opportunities for you to promote your business:

- ◇ Your own delivery vehicles.
- ◇ Billboards.
- ◇ Shop/business signage.
- ◇ Window posters.
- ◇ Community notice board.
- ◇ Bus advertising – side panels, rear panels, interior panels, fully painted buses.
- ◇ Taxi advertising – side panels, interior panels, fully-painted taxis.
- ◇ Mobile billboards applied to small trucks, trailers or bikes for two-sided displays.
- ◇ Bus shelters.
- ◇ Other street furniture.
- ◇ Bus stations.

- ◇ Train stations.
- ◇ Terminals.
- ◇ Airports.
- ◇ Seaports.
- ◇ Sport venue advertising.
- ◇ Beach and rest area advertising.
- ◇ Golf course advertising.

As always, the questions you must ask are:

- ◇ Will this work for you?
- ◇ Will your target market see it?
- ◇ Will your target market be influenced by seeing your business advertised in this particular context?
- ◇ Is it worth the expense?
- ◇ Is this the appropriate medium for you?

Here are a few examples of businesses that identified a particular outdoor/transit medium to promote themselves:

TYPE OF BUSINESS	OUTDOOR/TRANSIT	MARKETING MESSAGE
Shoe shop	Bus shelter	Are your feet hurting you from so much standing around?
Courier service	Delivery van	Another package being rushed to its destination – courtesy of ABC Couriers.
Sewing and mending service	Community notice board	Sewing and mending at competitive prices.
Sports shop	Sports venue (stadium)	We supply all your sports requirements.
Mobile phones shop	Taxi – inside	You could be using your time usefully on the phone right now.

OUTDOOR & TRANSIT MEDIA CHECKLIST				
Form of outdoor/transit advertising	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from this form of advertising?	How will you measure the effectiveness of this?
Billboards				
Window posters				
Community notice board				
Shop sign				
Bus advertising				
Taxi advertising				
Mobile billboards				
Bus shelters				
Other street furniture				
Bus stations				
Train stations				
Terminals				
Airports				
Seaports				
Your own delivery vehicles				
Beach and rest area advertising				
Golf course advertising				
OTHER				

6 (VI) Sales Promotion Media

Packaging

Packaging usually refers to the physical enclosure in which you sell your product. Good packaging:

- ◇ Attracts the customer.
- ◇ Communicates product attributes.
- ◇ Identifies the brand and seller.
- ◇ Lists ingredients.
- ◇ Makes the product easier to handle.

Your packaging design can reduce costs associated with storage, handling, shipping, and pilferage. Packaging can also refer to the overall impression that your business makes, see Chapter 4 on image.

Point of Sale

POS refers to the visual and audio merchandising that a customer meets in a shop, a warehouse, a showroom, or anywhere else that products are on display. Bags with your name/logo, flags, banners, cut-outs, posters, signs and other POS elements are designed to create awareness of a product at the moment of purchase.

You should only consider investing in POS merchandising if you want to create a satisfying buying environment that stimulates an engaging customer experience. If this is not critical to your business success, then you should consider alternative ways of spending your marketing budget.

POS is less relevant for a service business, except that the state of your office or waiting room (tidy, untidy) can also influence whether your customer experiences a satisfying buying environment.

Always ask yourself how you would react if you were a stranger turning up in your own office.

Giveaways

You are certainly no stranger to giveaways – just think how many promotional pens you have received in your life. Giveaways can be a useful promotional tool if used discriminately. To be effective, your giveaway must:

- ◇ Not cost too much.
- ◇ Be relevant to your business.
- ◇ Be durable.
- ◇ Act as a permanent promotional tool for your business.
- ◇ Not put your customers off by appearing too tacky.

See the table on the next page for examples of some giveaways.

Exhibitions & Trade Fairs

There are 3 categories of exhibitions and trade fairs:

- ◇ Events aimed at the consumer.
- ◇ Events aimed solely at the trade.
- ◇ Events aimed at, and open to, both.

The commitment to participate in a trade fair or exhibition is costly. You need to take account of several other expenses in addition to the hiring of the stand:

- ◇ **Stand design** – If you want your stand to look professional, you need to employ a designer to decorate the stand, and you need to deliver the stand to the venue.
- ◇ **Stand literature** – Brochures, giveaways, etc.
- ◇ **Equipment, samples** – The cost of delivering these to the venue
- ◇ **Time** – You or your representative have to spend valuable hours away from the office. Think carefully before committing yourself to this expense.

If you believe that participating in a show is critical to attracting the attention you want, or if this show won't be repeated for a few years, go ahead.

If you like the idea of participating in a trade show, but you're not sure it will produce dividends, maybe attend the show as a visitor the first time round. You can assess who the competition is, what they are offering, how many people visit their stands – and you can also use the opportunity for valuable networking. Just don't forget to take along a stackful of business cards!

TRADE FAIR CHECKLIST

1. Is the expense justified?
2. Who will be attending the event?
3. Will the procurement decision-makers be there?
4. How many visitors came last year?
5. How many visitors are expected this year?
6. Of these, how many will be interested in your product/service?
7. Are you only participating because everyone else is?
8. Have you spoken to previous participants to find out what value they place on the show?

DESCRIPTION OF COMPANY GIVEAWAY	
Insurance agency	Umbrella on which is written "We're Here To Protect You".
Smoked salmon company	Packet of toothpicks with company logo.
Dental practice	Dental floss with own name on the packet.
Auctioneer	Free report: "How to obtain the best mortgages".
House builder	Free information pack for new home owners.

SALES PROMOTION MEDIA CHECKLIST				
Type of sales promotion	Why is this appropriate for your business?	Why is this not appropriate for your business?	What do you want to achieve from this type of sales promotion?	How will you measure the effectiveness of this?
Packaging				
Shop/office signage				
POS in-store signage/posters				
Bags and other merchandising				
Giveaways				
Exhibitions and trade shows				
OTHER				

7 Hired Guns

How to Make Efficient Use of Marketing Professionals

Now that you have examined your media mix and decided which combination of media to use, you have to decide who to go to:

- ◇ You can go directly to the media providers (local newspaper, local radio).
- ◇ You can wait until the media come to you.
- ◇ You can use the services of marketing professionals.

CASE STUDY

Liz opened a new nail bar, and decided to announce this via an ad in the local newspaper. She went in to their offices, gave in the wording of the ad, and waited to see how the ad turned out.

On the publication day, she was disappointed to find that her ad was hidden among much bigger ads, that the wording she had used seemed very unprofessional compared to other ads, and that the design of her ad was very unexciting.

She had chosen what she thought was the cheapest route, but in terms of effectiveness, her ad was a waste of money.

CASE STUDY

Fergus was very flattered when he received a call from a sales representative of "New Millennium Ireland – The Essential Business Directory". They were offering him an ad in the new edition at half-price if he paid upfront.

Although Fergus had not actually come across this directory, he understood from the sales representative that every major company in Ireland had a copy. The terms seemed very generous, so he signed the contract.

It was only when the directory was eventually printed 10 months later (and 10 months after he had paid for his ad) that Fergus realised that no one was actually going to use this directory.

By reacting to the offer to advertise, rather than proactively choosing to advertise, Fergus had given up control of his media mix decisions.

Going to the media directly is tempting, because you assume that you can get it cheaper than going through a professional intermediary. The problem is that the media might be good at selling space, but not necessarily good at producing professional quality advertising.

Even large companies do not have the in-house expertise to run their marketing campaigns. Small businesses have even less in-house resources, so it makes sense for them to stick to their core business, and to leave hired guns to look after the marketing.

Small businesses can benefit greatly from professional creative experts who specialise in creating the visual and textual messages that will attract your target audience. The two most important members of your hired creative team are the **copywriter** (the words person) and the art director (more commonly known as the **graphic designer**).

The copywriter is a wordsmith, someone who has a way with words. The copywriter's function is to act as a sort of go-between for both you (the advertiser) and your customer (the target audience). The copywriter distils your marketing message, and translates it into advertising language that will persuade customers to buy your product or service. In essence, the copywriter is your mouthpiece, and ensures that your marketing communications are clear, consistent and concise.

The copywriter writes the words for several different media:

- ◇ Ads, brochures and other print media.
- ◇ Websites.
- ◇ Slogans, taglines, and brand names.
- ◇ Direct mail letter.
- ◇ Narrative and jingles for radio and TV commercials.
- ◇ Press releases.
- ◇ Packaging text.
- ◇ Instruction booklets.
- ◇ Speeches.

Unless your business is in the creative arts, don't be tempted to write your own promotional texts and marketing materials. Copywriters do it better, because they have mastered the language of your customers. Also, don't think that just because your neighbour's daughter majored in Eng. Lit. at university, she'll be able to help you with the writing. Academics often make the worst copywriters!

The graphic designer combines the text written by the copywriter with graphics, photos, illustrations, and other visual elements to create marketing communication for a variety of media. The graphic designer understands the power and the emotion of typefaces, shapes, words, colours and photos. Today's graphic designers have access to computer software and computerised techniques that can achieve dramatic results. Designers can usually handle the entire production cycle, from concept to final execution. You would go to a designer for:

- ◇ An ad, brochure or newsletter.
- ◇ A logo.
- ◇ Letterheads.
- ◇ Posters.
- ◇ A sign.
- ◇ Business cards.
- ◇ Packaging design.
- ◇ Any other type of visual communication.

The printer (the human variety, not the machine) is another professional with whom you will have frequent contact. Not too long ago, a small business that wanted promotional or advertising work would go to the local printer. Designers were regarded as a costly luxury, so printers got landed with jobs that they were often not fit for. The advent of desktop publishing has allowed many print operations to move up the skills chain, and some printers can now offer quite sophisticated design. Before you decide whether to entrust your material to a printer or a designer, take a good look at their portfolio of work. If you are happy with the output of the printer, this may be a cheaper option.

If design is important in your business, it is often worth paying the extra price for the creativity, experience and expertise of a professional graphic designer.

The PR consultant advises you on your PR strategy. Your PR consultant can:

- ◇ Provide an external, objective viewpoint or perspective.
- ◇ Increase your overall visibility.
- ◇ Support a specific product/service/event.
- ◇ Support your entire marketing effort.
- ◇ Advise you when you are the target of adverse publicity (crisis management).
- ◇ Strengthen community relations.

When choosing your PR consultant, check the chemistry! Make sure the people working on your account understand your business, and are sensitive to the PR image you want to project.

PR consultants price their services in a variety of ways:

- ◇ Hourly fee.
- ◇ Minimum monthly fee based on estimated number of hours per month.
- ◇ Project fees for a one-time project (such as the opening ceremony for a new building).
- ◇ Retainer fee.

Check which is the most appropriate for you.

Other professionals involved in the creative process include:

- ◇ Web designers.
- ◇ Photographers (including press photographers and commercial photographers).
- ◇ Illustrators and animators.
- ◇ Marketing consultants who provide expertise covering the broad spectrum of marketing.
- ◇ Ad agencies.
- ◇ Audio/visual experts (musicians, sound, video).

COMMON ERRORS IN WORKING WITH MARKETING PROFESSIONALS	
ERROR	SOLUTION
Leaving it too late to involve the writer and the designer.	Bring your key professionals (copywriter and graphic designer) into the loop at an early stage. Involve them in identifying and formulating your marketing messages and target audiences.
Debating whether the text or the design should come first.	There is no need to waste time on this chicken-and-egg question. It doesn't matter which comes first, so long as you copywriter and your designer synchronise their work.
Asking your designer or printer to "look over the text".	Just as you wouldn't expect your copywriter to do the design, don't expect the visual professionals (web designers, graphic designers, printers) to write your text.
Giving your brochure to a web designer and saying, "Just reproduce this on my website".	Giving your brochure to a web designer and saying, "Just reproduce this on my website". The visitors to your website look for information in a different way than readers of your brochure. Web content (text) should be specifically written by your copywriter for this purpose.

8 Word-of-Mouth

We all feel special when the waiter in our favourite restaurant greets us by name. We all like being asked whether we want “the usual” on the menu. We feel valued, and we want to visit that restaurant again and again. And because we want our friends to share the same special treatment – we tell them about it.

There are few more powerful ways of reaching new customers than a personal endorsement from a satisfied customer. Word-of-mouth referrals that give you greater exposure in your market can become a valuable marketing tool for small businesses.

Research shows that referrals can account for up to 50% of your business. Don't miss the opportunity of milking all your networks to create a steady stream of word-of-mouth referrals.

Referrals & Networking

Referrals are an ideal marketing tool because:

- ◇ They are an inexpensive way of gaining new business.
- ◇ They come from a credible third-party with first-hand experience of doing business with you.
- ◇ There is a high probability that you can convert referrals into business.
- ◇ People who refer others to you are more likely themselves to work with you.

Word-of-mouth referrals can come from different sources:

- ◇ **Existing customers** – As we saw in the restaurant example, a satisfied customer can give the most authentic endorsement of your product or service.
- ◇ **Friends and family** – These are the people who are naturally predisposed to recommend you to others. But

again – don't assume anything. Galvanise them into sending you referrals.

- ◇ **Professional colleagues** – These are people who work in your field, possibly offering complementary but not competitive products and services. For example, if you are a physiotherapist, your sources of referrals would include orthopaedic specialists, GPs, massage therapists, physical therapists, local gym owners and sports coaches.
- ◇ **Influencers** – People whom you come into regular contact but who do not fit the other 3 categories.

Examples include:

- ◇ Neighbours.
- ◇ Clergy.
- ◇ Other small business owners.
- ◇ Corporate business executives.
- ◇ Accountants.
- ◇ Solicitors.
- ◇ Bank staff.
- ◇ Health club members.
- ◇ Former colleagues.
- ◇ Sports club members.
- ◇ Members of the Chamber of Commerce.

These sources of referrals: existing customers, family, friends, professional colleagues and influencers – also describe the networks, the groups of people you associate with at varying levels of intensity, that every small business must cultivate.

Don't make the mistake of believing that satisfied customers automatically pass your name to other customers or businesses. If you want referrals, you have to actively ask for them.

In the best case scenario, relationships that started out simply as networking/referral relationships can become semi-permanent.

CASE STUDY

Tom is a builder who received a recommendation from another builder to use the services of Dick the cleaner. Now Bob calls on Dick to clean every single property he completes.

Another builder recommended to Bob that he use the services of Harry, the cabinet-maker. Now Tom calls on Harry to build and install cabinets in every home he completes.

Everyone in the loop is happy. Tom is relieved to have found top-class professionals, while Dick and Harry are delighted to have a solid client like Tom.

To create a systematic referral generation and tracking system, you need:

- ◇ Business cards that spread the word concisely.
- ◇ A tracking method that teaches you who is a good source and who is a waste of time.
- ◇ Fast follow-up of all leads and referrals.
- ◇ To express your thanks to the source of the referral.

Acknowledging referrals with a “thank you” encourages people to continue referring customers your way. Avoid giving gifts or cash, because it could be construed as paying a commission.

POTENTIAL SOURCES OF REFERRALS				
Write down the names of at least 10 people in each category				
#	Customers	Family/friends	Professional colleagues	Influencers
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

REFERRAL TRACKING SYSTEM				
Name of person to whom you gave business cards	Date you gave them cards	Quantity of cards	Results (names/dates)	Date that you thanked the referral source

When you own your own business, you are always selling yourself. Every time you meet someone, whether socially or in business, you are not just a spouse, a parent, tall, short, funny or serious. You are a business owner looking for customers.

Remember all those times you went for a job interview? You developed some fine interview skills. You were careful to make a good impression on the interviewer.

- ◇ You dressed smartly.
- ◇ You were well-groomed.
- ◇ Your shoes were clean.
- ◇ You were upbeat.
- ◇ You sat attentively.
- ◇ You answered in a focused manner.
- ◇ You smiled and were polite.

Think of every encounter with prospective customers as an interview situation. You are being interviewed for your suitability to supply your product or service. And if you want to turn prospects into real customers, you need to shine at your interview.

If you lack the confidence to sell yourself and enter interview mode every time you meet a prospective customer, have a friend video a mock encounter. Study it. Get over the embarrassment. Learn the difference between passive and proactive networking, then get out there and promote your business at every opportunity.

NETWORKING CHECKLIST	
1.	Shake hands with everyone you meet at business functions.
2.	Exchange business cards with everyone you meet.
3.	Write to past customers and tell them you miss them.
4.	Never throw away prospect names and addresses.
5.	Most people throw away most advertising material – so keep sending it.
6.	Keep updating your contact list.
7.	Send customers/prospects articles of interest they may have missed.

PASSIVE NETWORKING	PROACTIVE NETWORKING
"By the way, I've just opened a new business."	"Hello, I'm Susan, I've opened my own business in the office supplies sector, and I would love to have the opportunity of discussing with you how we could do business together. Here are some of my cards for you to hand to any colleagues who might be interested in my services. Do you have a card?"
Joining the Chamber of Commerce.	Offer to sit on a Chamber committee. You will be welcomed with open arms. Use every opportunity to let Chamber members and staff know what you do. Sponsor a Chamber breakfast meeting or the Chamber newsletter.
Going to business events/functions and standing by yourself at the side.	March up to people, introduce yourself, shake hands, talk about your business, hand out business cards.
Telling your family and a couple of friends.	Contacting everyone you know, including all of the business and personal contacts you have developed over the years. Ask them to spread the word about your new venture.

9 Selling & Distribution

Selling

When you run a small business, you discover that you never actually stop selling. Wherever you meet your customers or potential customers – at your place of business, in the street, in their premises, in the pub, at Chamber of Commerce meetings – you are selling. This is even more the case in smaller communities, where you are known by a greater proportion of the population. Selling operates at several different levels simultaneously:

- ◇ You are creating a relationship of friendship and trust with the customer. At the end of the day, people buy from people they like.
- ◇ You are exploring the customer's world, mindset, wants and expectations.
- ◇ You are establishing a communication channel based on mutual respect.
- ◇ You are bridging the gap between what the customer wants and what you can deliver.
- ◇ You are offering your services as a problem-solver.
- ◇ You are building the foundations for a fruitful long-term business partnership.

CASE STUDY

When Sanders had to close his highly successful restaurant when a new interstate highway completely bypassed his town, he decided to try and sell his Kentucky Fried Chicken recipe. He drove across the country, cooking batches of chicken for restaurant owners and their employees, but no one jumped at the opportunity of going into business with him. Sanders had been rejected by over 1,000 restaurants before Harman's Café in Salt Lake City agreed to pay for the privilege of using Sander's unique chicken recipe. The idea caught on, and everyone knows the end of the story. Sanders' stubborn tenacity made him believe that even after 1,000 rejections, someone would eventually say "Yes".

You do not have to be born with selling skills to sell your product or your service. Everyone develops their own style of selling. But whatever your style, your goal is identical: to try and clinch the deal.

You have already invested in marketing tools to motivate people to want to work with you. Now you need your selling prowess to turn these people into customers and your encounters into sales transactions.

One of the secrets of selling is to understand where your customer is coming from. Customers can be antagonised if they perceive that all you're trying to do is convince them to buy your product or service. It is more useful to think of how you can help customers get what they really want. Once they know that they can get what they're looking for from you, your selling challenge is to make sure that when they look for it, they come to you.

Have you ever had a washing machine die on you? If so, you'll know that ads for washing machines suddenly jump out of the newspaper and shop windows. Why? Because you want a new washing machine, and you are attuned to information on where to buy one.

It's the same with selling. Always ask yourself what your customers are looking for, then help them find it by pointing them in the direction of your business.

To successfully close a sale, you need to be very, very persistent. Some products or services can take several discussions with the same customer before a sale is closed. Sometimes nine people will turn you down before someone says yes. You need a lot of self-motivation to overcome these rejections – but unless you determinedly keep trying, you won't get to the tenth.

For an example of unbelievable persistence, spare a thought for Colonel Harlan Sanders, the man behind Kentucky Fried Chicken (KFC).

SELLING CHECKLIST

1. Be confident about the product.
2. Smile.
3. Enthusiastically describe the benefits.
4. Politely rebuff any objections.
5. Avoid jargon – speak in the language your customer understands.
6. Remember and use your customer's name.
7. Remember personal details of your customers.
8. Learn your customers' buying habits, likes and dislikes.
9. Be sure you are talking to the person who can close the sale.
10. Learn how the customer found you (or you found the customer).
11. Be aware of the customer's experience with your competition.
12. Be aware of how your product/service will benefit the customer.
13. Be convinced in your own mind that the price is right.
14. Be clear about what price you agree on.
15. Be clear about the payment terms. 16. Be clear about the delivery method and date/time.
17. Be persistent.

you are selling directly to the customers who come into your shop.

- ◇ **Other businesses (B2B)** – If your service or your product are geared for the business market rather than for the consumer market, then you are dealing directly with your business customers.
- ◇ **Retailers** – The retailer is an intermediary who sells your product on to their customers. Although you don't sell directly to these customers, the retailer is your direct customer.
- ◇ **Wholesalers/distributors** – These are also intermediaries who buy your product in bulk and distribute it to retailers and other outlets. They can handle storage of your product, advertising and promotion to retailers and/or end-users. Although you don't sell directly to the end-user, the wholesaler/distributor is your direct customer.
- ◇ **Internet** – The Internet is becoming an increasingly popular direct marketing channel. Indirect marketing channel – independent representatives & agents
Reps and agents are independent contractors who find outlets for your products. When you work through an intermediary like a rep or agent, you are not selling directly to your customer. Unlike wholesalers, these freelance sales agents do not purchase your product. They meet their own costs and are paid only according to results.

Distribution Channels

Once you have decided what kind of business you are setting up, you need to choose a combination of distribution channels for delivering your product or service to your customers.

Direct marketing channels

If you are a service business or a small manufacturer, you will probably use a Direct Marketing Channel, whereby you and your salaried staff sell directly to your customers. By customer, we mean anyone who buys directly from you, whether it's a consumer, another business, a retailer or a wholesaler:

- ◇ **Consumers (B2C)** – If you manufacture kitchen tables, and you sell directly to consumers, you are using a direct marketing channel. Similarly, if you have a retail outlet,

The advantages of using a rep/agent include:

- ◇ **Cost advantages** – they only earn commission when they sell on your behalf.
- ◇ If they don't sell, you are not left with hefty overheads, such as salary, car and office space.

The disadvantages include:

- ◇ You don't control the time they spend pushing your business.
- ◇ If they find other products easier to sell, or they are offered higher commission to sell similar products to yours, they

may decide to give relatively little effort to promoting your products.

- ◇ If they sell your product/service to a disreputable customer, you could be left with unpaid bills.

If you intend to appoint a rep or agent, it is a good idea to draw up a written agreement so that both parties understand what is expected.

POINTS TO BE COVERED IN YOUR REPRESENTATION AGREEMENT

Products/services – Define which products or services are covered in the agreement.

Price – Define the retail price of the product, since you will be issuing the invoice.

Payment – Define who is responsible for collecting payment. Rate of commission – Define the exact rate of commission that the rep will earn on each sale.

Territory – Define the geographical territory in which the agent will operate (for example, the town, county, region, or country).

Type of customer – Define what kind of customer you are looking for, and also define what kind of customer you don't want.

Duration of agreement – It is a good idea to limit the term of the agreement, so that you can review performance, and if necessary revoke the agreement if it's not working.

DISTRIBUTION CHANNELS CHECKLIST

1. Are you reaching your customers in the most cost-effective way?
2. Is your business more suited to direct marketing or indirect marketing?
3. Is the final price that your customer pays (whether the customer buys from you, from a shop, from a wholesaler or from a rep) the right/appropriate price?
4. Are you sure that the end customer is being provided with service and support?
5. Are you devoting enough time and energy to your core competency?
6. How does this distribution channel affect your bottom line (can you afford it?)?
7. What channels do your competitors use?
8. Where are the weaknesses in your system?

Export

Export used to have an exotic ring to it, but in today's marketplace, it simply means that your customer lives outside your national boundaries.

In this age of global communications, overnight delivery and streamlined logistics, having an export customer can be no more complicated than having a domestic customer – so long as the price is right and the customer is happy.

If you make Christmas cakes, it might be easier to deliver a truckload to Liverpool than to Wexford.

Is one export customer enough to make it worth developing an export strategy? It is difficult to generalise. Just as you should avoid letting any single domestic customer account for too much of your business, it is not a good idea to allow a single export customer to account for too much of your total business.

Another thing to remember is that once you have established procedures for handling orders to one export customer, you have the infrastructure to absorb additional export customers.

Small businesses involved in a creative service industry will hardly notice the difference between export or domestic work. It takes exactly the same amount of time and effort for a designer to send a graphics file by email to Chicago as to Cork. It takes the same time to email the text for a brochure to London as to Limerick. It takes the same time to show your customer in Rimini what his website will look like as it takes to show your customer in Roscommon.

The only justification for taking the export route is if you find an export customer who makes it worth your while. There is no glory in being an exporter who loses money on every export transaction.

Use the checklist below to help you plan your export strategy.

EXPORT CHECKLIST

1. Are your export plans part of your initial business plan and marketing strategy, or the result of a marketing opportunity you don't want to miss?
2. Which products/services do you want to export and to which foreign markets?
3. What primary and secondary research have you conducted on your target market?
4. Have you visited these countries in person to get a feel for the market?
5. What marketing distribution channels are you planning to use, and who are you appointing to manage the marketing and sales operations?
6. Does your company possess the necessary language skills at all levels of the organisation, from telephonists to customer support?
7. Have you organised your administration for foreign currency payments?
8. Are you complying with special safety, environment, quality, packaging, language, and customs/excise regulations?
9. Are you sure your bottom-line profit justifies the extra distribution costs?
10. What are your sales targets per country/market/segment?
11. Will the energy you put into export place undue strain on your organisation?
12. Have you developed suitable marketing/promotional literature for your export markets?

10 Customer Relationship Management

The key role of customer service in the marketing of your business cannot be over-emphasised. It may be a truism, but without satisfied customers, your business will not survive.

Customer service involves:

- ◇ Delivering what you promised.
- ◇ Being pleasant and friendly.
- ◇ Willingness to help.
- ◇ Providing prompt service.
- ◇ Well-trained staff.
- ◇ Personal attention.
- ◇ Little things that make the difference.

Your staff (which includes you) must understand how much importance you attach to customer service. You will find that employees who are treated with respect will treat your customers with respect. Your goal is to ensure that your customers receive a consistently good level of service, no matter who they encounter in your business.

Poor customer service, for example, can drive your customers to your competitor just as effectively as a heavy media campaign mounted by your competitor.

Customer Retention

When you first start your new business, it is only natural to channel all your marketing efforts into new customer acquisition. Without customers, you will not survive, and your initial focus must be on creating a solid customer base. The way to find these customers is via the marketing tools described in this publication.

But once you have achieved your short-term goal of acquiring new customers, the balance shifts. Your medium/long-term goal is to devote more and more efforts to customer retention. Customers who have

given you a vote of confidence by doing business with you become your most valuable asset. You must continue to provide them with good service, continue to meet (or even exceed) their expectations, and these satisfied customers will return time and time again.

Customer Relations Management (CRM) is not just a new way of saying customer service – it is a better way. By making customers more than mere transactions and focusing on the relationship aspect, you will be better equipped to engage in non-stop wooing of your loyal customers.

It also makes good business sense to focus your marketing energy on loyal customers:

- ◇ 20% of your loyal customers usually account for 80% of your revenue.
- ◇ You invested considerable time, effort and money in winning these customers.
- ◇ You can drive your marketing costs down, because you no longer have to try and reach such a wide audience.
- ◇ Dissatisfied customers rarely complain – they simply vote with their feet (or their wallets).

There is evidence that dissatisfied customers tell up to 10 friends and colleagues about their negative experience. Just think how fast you could lose potential customers.

A high level of customer retention can have a critical effect on your bottom line:

- ◇ Higher staff morale (= lower staff costs).
- ◇ Lower staff turnover (= lower recruitment costs).
- ◇ Longer customer retention (up to 50% longer).
- ◇ More repeat business (20% to 40% lower selling costs).
- ◇ More referrals (20% to 40% lower marketing costs).

- ◇ Higher prices (7% to 12% higher).
- ◇ Increased margins (7% to 17% more profit).

CALCULATING THE LIFETIME VALUE OF A LOYAL CUSTOMER

Average sale value per customer

€ _____

Multiplied by sales per year per customer

Total sales value per year per customer

€ _____

Multiplied by no. of years your customer buys from you

Gross lifetime sales value per customer

€ _____

If every loyal customer recommends you to at least one more customer, your sales will soar.

CUSTOMER SERVICE CHECKLIST

1. Make sure the phone is always answered promptly.
2. Train your staff in how to talk to customers on the phone
3. Train your staff in how to talk to customers in person.
4. Make sure orders are fulfilled quickly and efficiently.
5. Establish grievance-handling procedures.
6. Train your staff how to handle difficult situations (for example, irate customers).
7. Establish an ongoing dialogue with your customers.
8. Regularly evaluate feedback on how you are meeting customers' needs.
9. Share your customer service vision with your staff.
10. Visit/call/email your customers on a regular basis.
11. Keep a record of the customer's details – name, address, phone, email.
12. Maintain a positive buzz about your product/service.
13. Aim to meet and exceed your customers' expectations.
14. Design your business to deliver what your customers want.

11 Service Businesses

Because small service businesses are selling an intangible product, they face two big marketing challenges:

- ❖ How to market your service when, even after you have completed the job, there is often nothing customers can hold in their hand.
- ❖ How to price your service when you cannot show your customer what you propose to do for the price you are quoting until the job is done – and even then it could be too early to judge.

Not only do you have to somehow sell a service that the customer can't see, taste or feel, you also need to convince the customer that you can perform the service:

- ❖ To the customer's satisfaction.
- ❖ At least as well as, if not better than, competing service providers.
- ❖ At the same price, or less, than the competition.

EXAMPLE	SERVICE	PROBLEM
Insurance broker	Cover against theft and fire.	Customers are paying for something they hope will never happen. The only tangible item they can hold in their hand is the insurance policy itself.
House-cleaning service	Home cleaning.	Customers are paying for something they can't see. Even after the cleaning service has completed the job, there is no tangible product left behind.
Landscape gardener	Redesign of private garden.	Customers can see photos of other jobs completed, but even if they see 3D imaging, they cannot see the finished version.
Web designer	Website for new company.	Customers can see examples of websites produced for other companies, but they cannot see the final version of their own website.
PR consultant	A more positive image for a restaurant after a food-poisoning scare closed it down.	Customers can view examples of Media Releases and press clippings, but it will take a while before they can ascertain the effectiveness of the consultancy – has the restaurant managed to shake off the poor image?

As a service provider, do not forget that you deliver lots of extras that do not show up as items on your invoice:

- ❖ Free consultation (meeting/s to discuss the work/contract).
- ❖ Fast on-time delivery.
- ❖ Free installation and setup.
- ❖ Money-back guarantee.
- ❖ First-year service.
- ❖ Extended service hours.

EXERCISE

List the added-value items that your service business provides:

- 1.
- 2.
- 3.
- 4.
- 5.

Make sure that your customers understand and appreciate these added-value items. Service providers must make sure that people know you are still around and keep you in mind when the right project comes along:

- ◇ Your follow-up calls after you have completed a job should not only be about chasing up your cheque. Find out how the project is progressing.
- ◇ Enquire whether the service you provided achieved its goal.
- ◇ Contact companies who failed to give you their business last time round (or failed to give you repeat business) – just because you didn't get the job once doesn't mean that they will never give you work.

A familiar problem with one-person (sole trader) service companies is that prospective customers might be concerned that you cannot provide the same level of

service and reliability as a bigger, more established company. You can counter this by:

- ◇ Promoting yourself as a business and not as an individual (“we”, not “I”).
- ◇ Focusing on your track record.
- ◇ Emphasising your ability to work well with large clients.

A big advantage about selling an intangible service is that your customers often make their purchase decisions based as much on emotion as on facts. Exploit this by using the language of benefits when trying to sell your service.

One way of compensating for the small size of your business is to emphasise your professionalism by drawing up a document that clearly defines what you do (and what you do not) provide for the price agreed. The more detailed the document, the less room there is for misunderstanding.

SAMPLE AGREEMENT FOR WRITING A WEBSITE		YOUR OWN SAMPLE AGREEMENT
Assignment	Writing the text (content) for a website for ABC Engineering.	
What does the assignment include?	Stage 2: Presenting an outline of the site architecture (max. 10 pages). Stage 3: Writing the text. Stage 4: Delivering first draft. Stage 5: Corrections. Stage 6: Delivering final draft. Stage 7: Proofreading of the text in its final web format.	
What does the assignment not include?	This assignment is for writing only, and does not include the web design or the technical posting of the website on the Internet.	
Start date	20 January 200x	
Delivery date	20 February 200x	
Delivery method	Final text to be emailed to ABC Engineering and their website designer.	
The price	€1,000 + €210 VAT = €1210.	
Payment terms	€350 + VAT with order; €350 + VAT on delivery; €300 + VAT 30 days after delivery.	
Materials cost included?	Yes.	
Travel cost included?	1 visit to the customer's premises to collect the initial information – further visits requested by the customer will be charged at €100 each.	
Extra costs not included	If the client makes more corrections after the final draft, there will be a surcharge of €100 per round of corrections – If the client requires more than the agreed 10 web pages, there will be a surcharge of €50 per page.	

12 Daring to be Different!

The preceding chapters have focused on the various options available to you as you plan your marketing strategy.

But if you really want your marketing efforts to stand out from the crowd, you need to step back, look at all you have absorbed about your business, and ask yourself:

- ◇ What could you do differently?
- ◇ How can you make people sit up and notice you?
- ◇ How can you attract attention to your business in an unusual and unconventional way?

One way for small businesses to compete against larger competitors is to emphasise the disadvantages of the competition's size. There is a long and noble tradition of emulating Jack (of the beanstalk fame) who used the giant's weight against him.

The classic example is the famous Avis tagline, "We try harder", which capitalised on the company's number-two status. Being seen as the underdog can appeal to certain types of consumer. Niche markets, such as the organic food industry and various types of luxury goods, have used this strategy to their advantage.

Strategic Marketing Alliances & Joint Ventures

Another way for small business owners to achieve their marketing goals differently is to cooperate with other businesses in strategic marketing alliances and joint ventures. By looking for opportunities to reach the customers of complementary businesses, you gain access to new prospects.

Best of all, you will be exposed to these new customers with the active encouragement of the business that acquired them in the first place.

The table on the next page shows some examples of strategic cooperative marketing ideas.

All these examples are win-win-win:

- ◇ You gain greater exposure because these other businesses are telling their customers about you.
- ◇ The other businesses gain greater exposure because you are telling your customers about them.
- ◇ The customers gain because they are being wooed with special offers.

Chutzpah

One of the most effective ways for small businesses to add value to their marketing is to use chutzpah. Originating in Yiddish and Hebrew, chutzpah is a combination of:

- ◇ Cheek.
- ◇ Nerve.
- ◇ Audacity.
- ◇ Guts.
- ◇ Outrageousness.
- ◇ Bottle.
- ◇ Boldness.
- ◇ Balls. Chutzpah allows you to achieve the competitive edge you seek by:
- ◇ Challenging traditional methods of problem-solving.
- ◇ Looking for unconventional solutions.
- ◇ Spotting opportunities that others have missed. The table on **page 60** offers some examples of people who used chutzpah to add pizzazz to their marketing.

STRATEGIC CO-OPERATIVE MARKETING IDEAS				
YOUR BUSINESS	YOUR TARGET MARKET	YOU SHARE THIS MARKET WITH:	YOU COULD ADD VALUE TO THEM BY:	THEY COULD HELP YOU BY:
Sports shoe and sportswear store	Men, women and children.	Fitness equipment providers, fitness centres and gyms, fitness trainers.	Handing out 10% discount vouchers for their services to your customers.	Handing out 10% discount vouchers for your store to their customers.
Wallpapering business	Private customers moving into a new home or redecorating their existing home.	DIY stores. Men's fashion boutiques, ladies fashion boutique.	Providing wallpapering classes in their stores.	Referring their customers to you when they want a professional service.
Dry cleaners	Men and women.	Hair salon.	Offering discount vouchers for their stores to your customers.	Offering dry cleaning vouchers to their customers.
Nail bar	Women (adults, teenagers and girls).	Hotel.	Offering free-perm gift certificates to your customers.	Offering free nail art gift certificates to their customers.
Fashion designer	Women.	Local hotels, local restaurants.	Hosting a fashion show for the hotel's guests – the hotel also gains from sale of extra food and drink.	Allowing you to sell your line of fashions after the show.
Any business	All local business people.		Sponsoring a free monthly business-card draw – diners place their business-cards in a bowl – you pay for the prize (dinner for two, free weekend, etc.)	Allowing you to get publicity as the sponsor, and to access a valuable extra source of business cards for your database.

COMPANY	MARKETING CHALLENGE	CHUTZPAH	RESULT
Fran Rooney, who bought Baltimore Technologies, a small 6-person consultancy firm, in 1996.	To make tiny Baltimore look like one of the major players in the network security field dominated by long-established US companies.,	Just months after buying Baltimore, Fran handed out huge cigars sporting the Baltimore logo at the world's major security software event, the RSA Data Security Conference. At subsequent shows he threw big parties, brought over the entire Dublin office to boost the impression of Baltimore's size, and co-sponsored the RSA event, with the Baltimore name and logo featured on all the conference and publicity material.	Fran's marketing chutzpah forced major US rivals to notice the Irish upstart company, and the company was perceived as a global leader in its field.
Simon Woodroffe, founder of Yo! Sushi restaurant-chain in London.	To find prestigious multinational sponsors who would impress potential customers and investors.	When Honda agreed to loan Simon a motorcycle, he expressed his gratitude by appointing them official sponsor of the restaurant. When All Nippon Airways gave him an upgrade on a ticket to Japan where he was conducting research for his restaurant, he appointed them sponsors. He then displayed the names of his two prestigious "sponsors" on the menus, on the window, on the front door, on the delivery bikes.	Thanks to Simon's chutzpah, investors and banks were suddenly taking note of Simon's new sushi restaurant with the famous backers.
Steven Spielberg, film-maker.	To break into the movie business after failing to get into the University of Southern California Cinema School.	During a bus tour of Universal Studios, he discovered an abandoned janitor's cabin. Each day, he turned up at the studio gates with a clipboard in his hands. The security guards always waved him through. He turned the cabin into his office, placed his name on the door ("Steven Spielberg, Director"), and produced a short movie that went on to win several film festival awards.	Spielberg became the youngest director ever to be signed to a long-term deal with a major Hollywood studio.
Rosemary, who set up her own web design company while still at college.	To break into the inner circle of the tightly-knit local business community.	Rosemary set her sights on the influential local TD and cabinet minister. She discovered where he liked having a coffee, and just happened to be there every time he was there. When the minister invited her to join him one morning, she told him of her business plans and the difficulties facing a young entrepreneur.	The minister agreed to be guest of honour at the launch of Rosemary's new local information website. On the evening of the launch, the business community came out in force. Rosemary's chutzpah gave her the opportunity to wow a high-profile audience of business people.
Ely Callaway, manufacturer of revolutionary golf clubs.	Ely's ERC II driver was banned by the US Golf Association after it failed to conform to testing limits.	Realising that if golf pros could not use the ERC II in tournaments, it could not be marketed, Ely persuaded the Royal and Ancient Golf Club of St. Andrews, the governing body of golf outside North America, to recognise the ERC II. They endorsed it as a legitimate club for all championship golf.	Thanks to Ely's chutzpah, suddenly everyone wanted to buy the ERC II driver.
Harry Ramsden, owner of Britain's biggest fish and chip restaurant.	To pull off a major publicity coup before he retired.	In 1952, Harry decided to sell fish and chips at the price (1½d) they had been on 7 July, 1912, when he opened his first shop in Bradford. In a single evening, Harry served more than 10,000 portions of fish and chips, causing traffic jams for miles around.	Harry earned himself a place in the Guinness Book of Records, and received live coverage on the BBC.

A small dose of chutzpah can go a long way. Every small business owner has the opportunity to come up with the chutzpah to market their business differently. Every small business owner can use chutzpah to find unusual ways of achieving their marketing goals.

Below is an example of a direct mailer produced by Alan Clark, a one-person PR consultant. Alan's tone is deliberately

upbeat and cheeky, which is precisely the impression he sought to achieve.

Use chutzpah to your advantage. If you want to add that extra spark to the promotion of your business, turn on the chutzpah – the secret weapon in your marketing armoury. Now look back over the preceding chapters, and ask yourself how you could use chutzpah to add extra flair and fun to the marketing of your business.

ON THE VIRTUES OF WORKING WITH A VIRTUOSO PR CONSULTANT

Introducing the new, compact and improved Alan Clark Communications

How would you react if I were to boldly announce that Alan Clark Communications is a smaller PR consultancy than it seems? You'd probably say to yourself, "What an odd way to promote any business, never mind a PR business".

So let me explain.

As founder and head of the eponymous Alan Clark Communications, I ran a successful mid-size PR consultancy for over a decade, with offices in downtown Glasgow. In recent years, I started feeling that I was a victim of my own success. I originally entered the PR field because I knew I had what it takes to deliver high-quality, proactive PR services to high-profile clients. But the bigger my company became, I found that I was doing less and less of the hands-on client work that I really love. While I enjoyed running the business, I increasingly found myself missing the cut and thrust of media liaison, crisis management, and all the rest.

I decided to get back to what I do best – establishing intimate working relationships with my clients, and personally attending to their diverse PR needs. So I converted my garage into a super-efficient office, in the process gaining 2 extra working hours a day by not having to commute.

Today, Alan Clark Communications is me. Moi . Himself. WYSWYG.

When you choose to work with Alan Clark Communications, you get Alan Clark, the virtuoso PR consultant.

When you choose to work with Alan Clark Communications, you join a small core of hand-picked clients who prefer an experienced PR virtuoso to having to deal with junior staff.

When you choose to work with Alan Clark Communications, you are working with a PR virtuoso, whose clientele includes Europe's largest low-fares airline Ryanair.

When you choose to work with Alan Clark Communications, you are working with a PR virtuoso chosen to advise Disney, the world's largest entertainment organisation, in Scotland.

When you choose to work with Alan Clark Communications, you are working with a PR virtuoso who advises Hutchesons' Grammar School, Scotland's largest independent school.

Why did they choose Alan Clark Communications?

- ❖ Because they value the wealth of experience that I bring to every job.
- ❖ Because they value the creative ideas and strategies that I bombard them with.
- ❖ Because they value my wit and my wisdom.
- ❖ Because they value my ability to think and act clearly under pressure.
- ❖ Because they value the fact that they always get superb value for money.
- ❖ And above all, they value the fact that I am 100% dedicated to promoting their image in the media.

I know that not every business or organisation is comfortable working with a solo operation. But I also know that there are lots of potential clients out there who feel that their interests are best served by a virtuoso with an impressive track record.

Give me a call. Let's meet and chat. If you like what you see and hear, and if I feel confident that I can deliver the results you require, we can make great music together.

13 Creating a Marketing Strategy

Everything in this workbook is designed to help you create your own exclusive marketing strategy. Read through the highlights below, take a look at the sample marketing strategy for the fictitious Irish Fishing Supplies, and you will be ready to go out and sock it to them!

20 TIPS TO REMEMBER

- ◇ The main goal of your business is to create a coherent marketing strategy that will drive the engine of your business.
- ◇ Understand the business context in which you operate.
- ◇ Make time for keeping up-to-date on the latest developments in your market.
- ◇ Your customers are the lifeblood of your business – without them, your business will not survive.
- ◇ It's not enough for your customers to need your product or service, they have to want it.
- ◇ Once you have achieved your short-term goal of acquiring new customers, devote most of your efforts to pampering your existing customers.
- ◇ Guide your customers from unawareness through awareness through knowledge through preference through conviction to action.
- ◇ Develop a positioning statement that expresses the core message you want all your internal and external communications channels to deliver.
- ◇ Develop a USP that communicates a powerful statement of the uniqueness of your service or product.
- ◇ Formulate the marketing messages that will attract customers and persuade them to do business with you.
- ◇ Convince yourself of the value of your product or service before you try and convince others.
- ◇ Think of yourself as a walking and talking marketing vehicle, dedicated 24 hours a day to projecting a positive image of your business.
- ◇ Your business card can be your most valuable marketing tool – the next card you give out could land you your biggest customer yet.
- ◇ Resist the temptation to write your own marketing literature or design your own visual communications.
- ◇ Look for opportunities to get a story about your business in the local, national and trade media.
- ◇ Find out if your potential customers will use the web to find you before you invest in a website.
- ◇ Always match your message to your market using the right medium.
- ◇ There are professionals out there who specialise in creating and communicating your visual and textual marketing messages.
- ◇ Explore the power of word-of-mouth referrals and the potential of joint venture marketing.
- ◇ Make your marketing efforts stand out from the crowd by daring to be different.

Sample Marketing Strategy for Irish Fishing Supplies

Overview

Product Line Description

- ◇ A range of three fishing tackle boxes for attaching to the hull of a fishing boat. Made of tough plastic, the tackle boxes are available in small, medium and large.

Business Description

- ◇ A manufacturing company located in Ballyhoo on Ireland's North West coast.
- ◇ Wholly owned by the founder, initial capital investment: €10,000.
- ◇ The company imports components and assembles them locally.

The markets to be served are:

- ◇ Short-term (first year): North West of Ireland.
- ◇ Medium-term: National.
- ◇ Long-term: Export.

Target Market

- ◇ Leisure fishing boat owners.

Market Conditions

- ◇ Growth market – overall number of potential users has risen 20% annually since 1999 (quote source). The total number of outboard motor boat sales 1998-2003 were 10,000 units (quote source). Projected sales at the same level over the next five years = 50,000 units, plus 75% of units sold in the past 5 years still in use = 37,500 units, gives a total potential market of 87,500 units in the national market. The estimated share of the North West region is 20% of this, giving a potential market of 17,500 units.

MARKETING ISSUES

Customer Profile: Fishing boat owners

- ◇ Currently own fishing tackle boxes.
- ◇ Read or subscribe to fishing magazines.
- ◇ Listen regularly to fishing programmes on the radio.
- ◇ Regularly attend boat shows.
- ◇ Occasionally participate in fishing contests.
- ◇ Male head of household.

Product Positioning

- ◇ The fishing tackle box is positioned as a new convenient accessory that provides added convenience for the boat fisherman.
- ◇ Product benefits: compact modern design, convenient, safe storage for fishing tackle, added value to the fishing boat.

Pricing Issues

- ◇ The pricing reflects the product's added value compared to the tackle box they now own.
- ◇ The retail price of the boxes has been set at €15 for the small version, €25 for the medium size, and €45 for the large.
- ◇ Wholesale pricing will be 40% below retail pricing.

Packaging Issues

- ◇ Products will be shrink-wrapped, and will be accompanied by a brochure that includes features, benefits and installation instructions.
- ◇ Boxes are packed six per cardboard shipping container.
- ◇ Shipping container must include name of product, name of manufacturer, product code number, and gross weight of case, and must conform to EU regulations.

Distribution Issues

- ◇ The business is centrally located for easy access to target markets.
- ◇ Tight procedures in place for coordinating orders received, production scheduling, shipping, and invoicing.
- ◇ Shipments to retail stores via company's own delivery vehicle.
- ◇ Wholesale orders: either shipped via commercial road transport, or collected by wholesale customer from factory.
- ◇ Raw materials/components from suppliers.
- ◇ All components are imported directly from Far East, and will be stored in plant or in local, outside warehouses.
- ◇ Finished goods will be stored in plant or in local, outside warehouses.
- ◇ Inventory control system will provide efficient goods in/good out.

Marketing Channels

- ◇ Marinas.
- ◇ Fishing tackle stores.
- ◇ Wholesale/chain: Boating supply houses, chain hardware stores, fishing tackle distribution.

Sales Targets

Short-term (first year):

- ◇ To attain 10% of the market = 1,750 units.
- ◇ To attain distribution in 50 retail outlets.
- ◇ To attain distribution with one national retail chain. Long-term (five years):
- ◇ To attain retail distribution in 250 retail outlets.
- ◇ To attain distribution with five national retail chains.
- ◇ To reach a sales volume of 15,000 units by the end of the fifth year.

Marketing Strategies

- ◇ Preliminary sales promotion programme in local market.
- ◇ Direct sales and media campaign targeted at areas with lots of fishing and boating.
- ◇ Media plan that includes ads in fishing and boating magazines as well as local newspapers.
- ◇ Publicity and advertising to be timed for just before and during the fishing and boating season.
- ◇ Provide adequate staffing to supervise sales efforts and ensure high levels of customer service.

Marketing Tactics

- ◇ Contact local retail outlets for initial sales, analyse dealer reaction, project sales after 90-day test.
- ◇ Establish a reporting system to track sales efforts and results.
- ◇ Produce a sales brochure for use in all sales presentations and direct mailings. Brochure should describe all features and benefits of the products, price and ordering information, pictures of the products, and installation instructions.
- ◇ Develop ads in various sizes for the different print media.
- ◇ Develop media releases describing new product, its features and benefits.
- ◇ Meet editors of local press and local radio, invite them to cover the launch of the business.
- ◇ Sponsor the weather forecast on local radio.
- ◇ Send media release to fishing/sport editions of local/national newspapers and appropriate magazines.
- ◇ Schedule participation in any boat and fishing events (fishing contests, festivals) in the region.
- ◇ Prepare suite of promotional material, including brochures, photographs, product samples, testimonials.

14 Useful Contacts

Central Statistics Office	www.cso.ie
Enterprise Ireland	www.enterprise-ireland.com
Government Publications Office	
Government Departments & State Agencies	www.irlgov.ie www.basis.ie
Business Innovation Centres	www.sebic.ie
County & City Enterprise Boards	www.empower.ie www.etradebusinessireland.com
Area Partnership Companies	www.adm.ie
LEADER companies	www.irishleadernetwork.org
Chambers of Commerce	www.chambersireland.ie
Golden Pages	www.goldenpages.ie
Business websites	www.startingabusinessinireland.com www.kompass.ie www.mii.ie