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Your seven-step, one-day marketing plan

Synopsis

This report is an extract from The UK Small Business Marketing Bible - a unique 250+ page manual that will show you how to increase your sales and build your business using proven marketing strategies being used by the most successful small businesses today.



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Introduction

This report is taken from Chapter 1 of The UK Small Business Marketing Bible (www.ukmarketingbible.com).

An attribute common in most entrepreneurs and business owners is that they are 'doers', not 'planners'.

In reality, being a doer is perhaps the ultimate mark of a successful person. It's what makes entrepreneurs a rare breed. Rather than thinking or wishing, they get out there and make something happen.

But plenty of small business owners get into trouble 'doing' the wrong marketing activities the right way, or 'doing' the right marketing activities the wrong way. If you want to 'do' the right marketing activities the right way you must start with a marketing plan.

You don't have to kill a tree to create an effective marketing plan. In fact, you can create a successful plan for your small business in just one day. To begin, don't worry about writing style or making your plan complicated. Just find a pencil and paper, and let's get started.

Step 1 - Understand your market and competition

A big mistake that many small business owners make is to latch on to a fashionable product or service, without first understanding the market, and what it wants (not what it needs). If you try to sell something that people don't want, they won't buy it.

It's that simple. A profitable market consists of people who have needs that are not being met, so much so that they will jump to buy your solution (product or service).

To get an understanding of your market you should ask yourself questions like:

- Are there segments of my market that are being underserved?
- Are the segments of my market for my product or service big enough to make money?
- How much of a share of that market do I need to capture, just to break even?
- Is there too much competition in my market to be competitive?
- What are the weaknesses in my competition's offering that I can capitalise on?
- Does my market want or value my unique competitive offering?

Step 2 - Understand your customer

Knowing your customer intimately is the first step to easy sales. You cannot prepare an effective marketing plan until you know:

- Who your customers are.
- What they want.

- What motivates them to buy.

Don't confuse 'wants' with 'needs'. People don't necessarily buy what they need, but they will usually buy what they want. For instance, have you known someone who went shopping to buy a pair of trousers that they needed, and came back with a new shirt, jumper and shoes? Or how about the everyday shopper who goes into the supermarket to buy some milk and eggs, and comes out with a frozen pizza, biscuits and other goodies?

People will buy what they want (even if they don't have the money), not what they need. This even applies to businesses.

To really get to know your customers, you'll need to ask yourself questions like:

- How does my potential customer normally buy similar products (for example, in a shop, on the Internet)?
- Who is the primary buyer and the primary buying influencer in the purchasing process (husband or wife, purchasing agent, project leader, secretary)?
- What kind of habits does my customer have? For instance, where do they get their information (television, newspapers, magazines)?
- What are my target customer's primary motivations for buying (looking good, avoiding pain, getting rich, being healthy, being popular)?

Step 3 - Pick a niche

If you say that your target customer is 'everybody', then nobody will be your customer. The marketplace is jam-packed with competition. You'll have more success jumping up and down in a small puddle than a big ocean.

Carve out a specific niche and dominate that niche; then you might consider moving on to a second niche (but not before you've dominated the first one).

For example, you could be a mobile hairdresser that specialises in colouring hair, or a dry cleaner for the Wembley area in London. Make sure to choose a niche that interests you, and one that is easy to contact. There's nothing more destructive than to pick a niche that you can't communicate with, or that costs you a lot of money to reach.

The UK Small Business Marketing Bible (www.ukmarketingbible.com) contains much more about finding and exploiting a market niche.

Step 4 - Develop your marketing message

Your marketing message not only tells your potential customer (your prospect) what you do, but persuades them to become your customer. You should develop two types of marketing messages. Your first marketing message should be short and to the point.

Americans call this your 'elevator speech' - your once-in-a-lifetime chance to be in the lift at the same time as someone influential - a potential investor, say, or Richard Branson

- for 30 seconds, when the only question he/she will ask is, 'So, what do you do?'

The second type is your complete marketing message that will be included in all your marketing materials and promotions. To make your marketing message compelling and persuasive, it should include the following elements:

- An explanation of your target prospect's problem.
- Proof that the problem is so important that it should be solved now, without delay.
- An explanation of why you are the only person/business that can solve your prospect's problem.
- An explanation of the benefits people will receive from using your solution.
- Examples and testimonials from customers you have helped with similar problems.
- An explanation of prices and payment terms.
- Your unconditional guarantee.

Step 5 - Determine your marketing media

Your marketing medium is the communication vehicle you use to deliver your marketing message. It's important to choose a marketing medium that gives you the best return. This means that you want to pick the medium that delivers your marketing message to the most niche prospects, at the lowest possible cost.

The following is a selection of tools you have at your disposal to get your message out:

- Newspaper, radio, television, magazine, cinema, e-zine advertisements
- Yellow Pages
- Classified advertisements
- Advertorials

- Advertising hoardings
- Press releases
- Posters
- Signs

- Sales letters
- Flyers
- Catalogues
- Brochures

- Competitions
- Seminars, talks and presentations
- Trade shows
- Charity events

- Networking
- Special events
- Newsletters
- Articles

- Postcards
- Gift certificates
- Business cards
- Door-to-door leaflet drops

- Telemarketing
- E-mail
- Websites
- Agents

- Word-of-mouth referrals
- Window displays

The trick is to match your message to your market using the right medium. It would do you no good to advertise your small retirement care home in Devon using a fast paced, loud advertisement on Radio 1. This is a complete mismatch of the market, message, and medium.

Success will come when there is a good match of these three elements. More types of marketing media are explained, along with tips on how to use them, in *The UK Small*

Business Marketing Bible (www.ukmarketingbible.com).

Step 6 - Set sales and marketing goals

Goals are critical to your success. A 'wish' is a goal that hasn't been written down.

If you haven't written down your goals, you're still just wishing for success. When creating your goals use the smart formula.

Ensure that your goals are:

- Sensible
- Measurable
- Achievable
- Realistic
- Time-specific

Your goals should include financial details, such as annual sales revenue, gross profit, sales per salesperson, and so on. Your goals should also include non-financial elements such as units sold, contracts signed, clients acquired, and articles published.

Once you've set your goals, put processes in place to share them with all team members, such as reviewing them in sales meetings, displaying performance charts and rewarding achievement with prizes.

Step 7 - Develop your marketing budget

Your marketing budget can be developed in several ways, depending on whether you want to be exact, or just estimate. It's good to estimate first of all, and then support your figures with further details.

First, if you have been in business for over a year and tracked your marketing-related expenditures, you could easily calculate your 'cost to acquire one customer' or 'cost to sell one product' by dividing your annual sales and marketing costs by the number of units sold (or customers acquired).

The next step is to take your cost to sell one unit or acquire one customer, and simply multiply it by your unit sales or customer acquisition goal. The result of this simple equation will give you a rough estimate of what you need to invest to meet your sales goals for the next year.

Writing your marketing plan following these seven simple steps makes the task easily achievable and less daunting. However, it's vital that you set aside some uninterrupted time to develop your plan. It could very well be the most important document to which you and your team will ever refer.

Hints and tips

- Market research will form a major part of your business and marketing plans, so keep your research to refer back to when you are developing your plans in the future.
- Make time to do your research properly. It's one of the most important things you will need to do, and getting the right information now will help avoid problems later.
- Be realistic with your research findings, and be sensible with your assumptions and market predictions.
- Be careful when asking friends or family for their input as potential customers; they may want to encourage or discourage you unduly, so might offer biased views.
- If you use a market research agency, ensure that they are members of a reputable trade association. The Market Research Society provides information about research agencies and consultants in its 'Research Buyer's Guide'. (www.rbg.org.uk). Consult this guide to find out about reputable and experienced agencies and consultants.
- Trade magazines or journals can provide useful market information so it may be worth taking out a subscription. If you're just after a particular piece of information try your city or central library as it may keep back issues.
- Trade associations can also provide useful research and statistics although you will usually need to be a member.
- Several national newspapers have dedicated supplements for particular industries on a specific day each week.
- Before you spend any money check your local central library as it will often have access to a wealth of business information.
- If you're doing a questionnaire, limit the number of questions - as too many questions may affect the response rate. Ensure that the meaning of the questions is easily understood.
- If postal questionnaires are used, it is a good idea to give the respondent an incentive to return it - for example, a prize draw or a chance to influence product design. A return rate of 10% of the questionnaires mailed is good.

FAQs

Q. What if the results of my research aren't as positive as I expected?

A. Be honest with yourself. If the results show up something you don't like or weren't anticipating, use it from a positive viewpoint as a foundation for changing your business or market focus to meet the problem head on.

Q. Should friends, family or colleagues have any input into my research?

A. By all means take their comments on board but remember that their views may be unintentionally biased.

Q. How much time should I invest in market research?

A. You can never do enough market research. Even when you're hitting your sales goals, you need to be constantly researching your customers and setting new targets.

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