

Marketing in Tough Economic Times

2013

First Things First

- **Marketing** – everything you do to build awareness of your company and products.
- **Sales** - everything you do to convert marketing interest to a purchase.
- **Advertising** - one technique used for marketing and sales promotion.

Why Market?

- **To Survive**
- **To Grow**
- **To Thrive**

What Is Marketing?

- Activities and strategies that result in making products available that satisfy customers while making profits for the companies that offer those products.
- Marketing produces a win-win situation because:

What Is Marketing?

- Customers have a product that meets their needs; and
- Profits are achieved for the company. (These profits allow the company to continue to do business in order to meet the needs of future customers.)
- 4 P's: Product, Price, Place, Promotion

Marketing Process

- 1. Marketing begins with discovering what **products** customers want to buy. Providing the features and quality customers want is a critical first step in marketing.
- Producing something you want to produce and then trying to convince someone to buy it is harder to do.

What Is Marketing?

- The marketing process continues with:
- 2. setting a **price** considering three basic production costs: direct materials, labor, and overhead,
- 3. letting potential customers know about your product (**promotion** – **presentation** - who, what, when, where), and

What Is Marketing?

- 4. making it available to them (place or distribution).

Target Marketing

- Owners of small businesses usually have limited resources to spend on marketing. Concentrating their efforts on one or a few key market segments - target marketing - gets the most return from small investments. Picking the low fruit first. Fish where the fish are.

Target Marketing

- There are different methods used to segment a market:
- **Geographical segmentation:** Specializing in serving the needs of customers in a particular geographical area.
- **Customer segmentation:** Identifying those people most likely to buy the product or service and targeting those groups.

Target Marketing

- **Demographic Segment**
- Measurable statistics such as age, income, occupation, etc.
- **Psychographic Segment**
- Lifestyle preferences such as art lovers, city or urban dwellers, etc.

Target Marketing

- **Benefit Segment**
- Desire to obtain the product benefits such as indigenous connection, hand-made one-of-a-kind objects, quality production.

Evaluating Market Performance

- Entrepreneurs should audit their company's performance at least quarterly. The key questions are:
- Is the company doing all it can to be customer-oriented?
- Do employees ensure the customers are satisfied and leave wanting to come back?

Evaluating Market Performance

- Is it easy for the customer to find what he or she wants at a competitive price?
- Statistically, a dissatisfied customer will tell a minimum of 17 people.
- Statistically, it will take a person hearing your name seven times before they remember it.

What Is Marketing?

- To sum up, marketing is a 365-days-a-year job; it demands persistent attention in satisfying customers' needs. Equally important, it requires a constant program of efforts to develop your customer base and stimulate sales - a program initiated and implemented most effectively by putting your own twist on the ideas we are going to discuss. **BE POSITIVE.**

Marketing Ideas

Marketing is all about
satisfying customer
needs.

Marketing Ideas

- **General Ideas**
- Never let a day pass without engaging in at least one marketing activity.
- Determine a percentage of gross income to spend annually on marketing.
- Have a current patron – customer list.

Marketing Ideas

- **General Ideas (Cont'd)**
- Set specific marketing goals every year; review and adjust quarterly.
- Maintain a tickler file of ideas for later use.
- Carry business cards with you (all day, every day).

Marketing Ideas

- **General Ideas (Cont'd)**
- Prepare a bio and portfolio.
- Come up with a marketing tag – descriptive of your business or product.
- Create a personal nametag or pin with your company name and logo on it and wear it at high visibility meetings.

Marketing Ideas

- **General Ideas (Cont'd)**
- Read market research studies about your profession, industry, product, target market groups, etc.
- Identify a new market.
- Try a new venue.

Marketing Ideas

- **General Ideas (Cont'd)**
- Learn as much as you can about the Internet.
- Learn as much about computer programs as possible (e.g. Microsoft Office, Quicken).
- Join a list-serve (e-mail list) related to your profession.

Marketing Ideas

- **Product Development**
- Create a new service, technique, or product.
- Offer a simpler/smaller/less expensive version of your product or service.
- Do not lower your prices for existing products or services. It is easy to go down and hard to go up later.
- Do commission work.

Marketing Ideas

- **Education, Resources, and Information**
- Attend a marketing seminar.
- Read marketing articles (magazines at the library, articles on internet).
- Subscribe to a marketing newsletter or other publication.

Marketing Ideas

- Train your staff, clients, and colleagues to promote referrals.
- Hold a monthly marketing meeting with employees or associates to discuss strategy and status and solicit marketing ideas.
- Join an association or organization related to your profession.

Marketing Ideas

- Maintain a consultant card file for finding designers, journalists, and other marketing professionals.
- Take a creative journey to another city to observe and learn from marketing techniques used there.
- Check out existing market displays for attractive ideas.

Marketing Ideas

- **Pricing and Payment**
- Analyze your fee structure; look for areas requiring modifications or adjustments. Establish a credit card payment option for clients.
- Give regular clients a discount.

Marketing Ideas

- Learn to barter; offer discounts to members of certain clubs, professional groups or organizations in exchange for promotions in their publications.
- Give quick pay or cash discounts.
- Offer rental, financing or installment plans.
- Use structured sales.

Marketing Ideas

- **Marketing Communications**
- Publish a newsletter for customers and prospects (it doesn't have to be fancy or expensive).
- Develop a brochure of services.
- Include a postage-paid survey card with your brochures and other company literature.

Marketing Ideas

- Create a poster or calendar to give away to customers and prospects.
- Print a slogan and/or one-sentence description of your business on letterhead, fax cover sheets, and invoices.
- Develop a site on the World Wide Web.

Marketing Ideas

- Create a signature file to be used for all your e-mail messages. It should contain contact details, including your Web site address and key information about your company that will make the reader want to contact you.
- Enter or curate shows.

Marketing Ideas

- Include testimonials from customers in your literature.
- Explain your creative process to buyers. Provide demonstrations.
- Make cooperative videos with other artists.
- Work to attract and, more importantly, retain your customers.

Marketing Ideas

- According to the Customer Service Institute, 65% of a company's business comes from existing customers, and it costs five times as much to attract a new customer than to keep an existing one satisfied.

Marketing Ideas

- Losing a customer is even more expensive. According to studies by the Technical Assistance Research Programs Institute, 91% of unhappy customers will never again buy from a company that has displeased them; they will also voice their dissatisfaction to at least seventeen other people.

Marketing Ideas

- **Media Relations**
- Build your resume.
- Update your media list often so that press releases are sent to the right media outlet and person.
- Write a column for the local newspaper, local business journal, or trade publication.

Marketing Ideas

- Publish an article and circulate reprints.
- Send timely and newsworthy press releases as often as needed.
- Get public relations and media training or read up on it.

Marketing Ideas

- Appear on a radio or TV talk show.
- Create your own TV program on your industry or your specialty. Market the show to your local cable station or public broadcasting station as a regular program, or see if you can air your show on an open access cable channel.

Marketing Ideas

- Take an editor to lunch.
- Get a publicity photo taken and enclose with press releases.
- Create a press kit and keep its contents current.

Marketing Ideas

- **Customer Service and Customer Relations**
- Ask your clients to come back again.
- Return phone calls promptly.
- Set up a fax-on-demand or email system to easily respond to customer inquiries.

Marketing Ideas

- Use an answering machine or voice mail system to catch after-hours phone calls. Include basic information in your outgoing messages such as business hours, location, etc.

Marketing Ideas

- Take clients out to a ball game, show, or another special event - just send them two tickets with a note.
- Send handwritten thank you notes.
- Send appropriate seasonal greetings.
- Redecorate your selling area.
- Wear traditional attire.

Marketing Ideas

- **Networking and Word of Mouth**
- Join a Chamber of Commerce or other organization.
- Serve on a city board or commission.
- Serve on an art non-profit.

What Advertising Can Do For Your Business

- Remind customers and prospects about the benefits of your product or service.
- Establish and maintain your distinct identity.
- Enhance your reputation.
- Encourage existing customers to buy more of what you sell.

What Advertising Can Do For Your Business (Cont'd)

- Attract new customers and replace lost ones.
- Slowly build sales to boost your bottom line.
- Promote your business to customers, investors, and others.

What Advertising Cannot Do For Your Business

- Create an instant customer base.
- Cause an immediate, sharp increase in sales.
- Solve cash flow or profit problems.

What Advertising Cannot Do For Your Business (Cont'd)

- Substitute for poor or indifferent customer service.
- Sell useless or unwanted products or services.

Advertising Ideas

- "Sell the sizzle, not the steak." Create an emotional appeal. Sell products based on the benefits and excitement they provide. Focus on those intangibles that motivate human behavior and generate sales.

Advertising Ideas

- Advertise during peak seasons for your business.
- Get a memorable phone number.
- Obtain a memorable URL and email address and include them on all marketing materials.

Advertising Ideas

- Provide Rolodex[®] cards or phone stickers preprinted with your business contact information.
- Advertise in a specialty directory or in the Yellow Pages.
- Distribute advertising specialty products such as calendars, pens, mouse pads, or mugs.

Advertising Ideas

- Improve your building signage and directional signs inside and out. "A business without a sign is a sign of no business."
- Create a new or improved company logo or recolor the traditional logo.
- Create an attractive sign for your car.

Marketing Ideas

- **Special Events and Outreach**
- Get a booth at a fair/trade show attended by your target market.
- Sponsor or host a special event or open house at your business location in cooperation with a local non-profit American Indian organization. Describe how the organization helped you.

Marketing Ideas

- Give a speech or volunteer for a career day at a high school.
- Teach a class or seminar at a local college or adult education center.
- Volunteer your time to a charity or non-profit organization.
- Donate your product or service to a charity auction.

Marketing Ideas

- Appear on a panel at a professional seminar.
- Write a How To pamphlet or article for publishing.
- Produce and distribute an educational CD-ROM or audio/video tape.

Marketing Ideas

- **Sales Ideas**
- Read newspapers, business journals, and trade publications for new business openings, personnel appointments, and promotion announcements made by companies. Send your business literature to appropriate individuals and firms – new Judicial Building.

Marketing Ideas

- Put your fax number on order forms for easy submission.
- Set up a fax-on-demand or e-mail system to easily distribute responses to company or product inquiries.
- Follow up on your direct mailings, email messages, and broadcast faxes with a friendly telephone call.

Marketing Ideas

- Take sales orders over the Internet.
- Prepare for seasonal products way ahead of time.

Marketing Plan

- **1. Define your business:**
- Your product or service.
- Your geographic marketing area - regional, national or international.
- Your competition.
- How you differ from the competition - what makes you special.

Marketing Plan

- **1. Define your business (cont'd):**
- Your price. Describe any price flexibility or negotiating room, as is common with large purchases. Outline any discounts you offer for long-term customers, bulk purchases or prompt payment. Also, include the terms of sale, such as "net due in 30 days," extended payment plans, and whether you accept credit cards.

Marketing Plan

- **1. Define your business (cont'd):**
- The competition's promotion methods.
- Your promotion methods.
- Your distribution methods or business location.

Marketing Plan

- **2. Define your customers:**
- Your current customer base - age, sex, income, and neighborhood.
- How your customers learn about your product or service - advertising, direct mail, word of mouth, Yellow Pages.

Marketing Plan

- **2. Define your customers (cont'd):** Patterns or habits your customers and potential customers share - where they shop, what they read, watch, and listen to.
- Qualities your customers value most about your product or service - selection, convenience, service, reliability, availability, and affordability.

Marketing Plan

- **2. Define your customers (cont'd):** Qualities your customers like least about your product or service - can they be adjusted to serve your customers better?; prospective customers whom you aren't currently reaching.

Marketing Plan

- **3. Define your plan and budget:**
- Previous marketing methods you have used to communicate to your customers.
- Methods that have been most effective.
- Cost compared to sales.

Marketing Plan

- **3. Define your plan and budget (cont'd):**
- Cost per customer.
- Possible future marketing methods to attract new customers.
- Percentage of profits you can allocate to your marketing campaign.
- Marketing tools you can implement within your budget.

Marketing Plan

- **3. Define your plan and budget (cont'd):**
- Typical marketing expense categories are marketing communications, market research, promotions, advertising, events and public relations.

Thank You For Coming!!

- Please fill out evaluation form.
- Please let us know what other subjects you are interested in.