

THE LEAD AGENCY MARKETING RESOURCE LIBRARY



Small Business Marketing
A BEGINNERS' GUIDE

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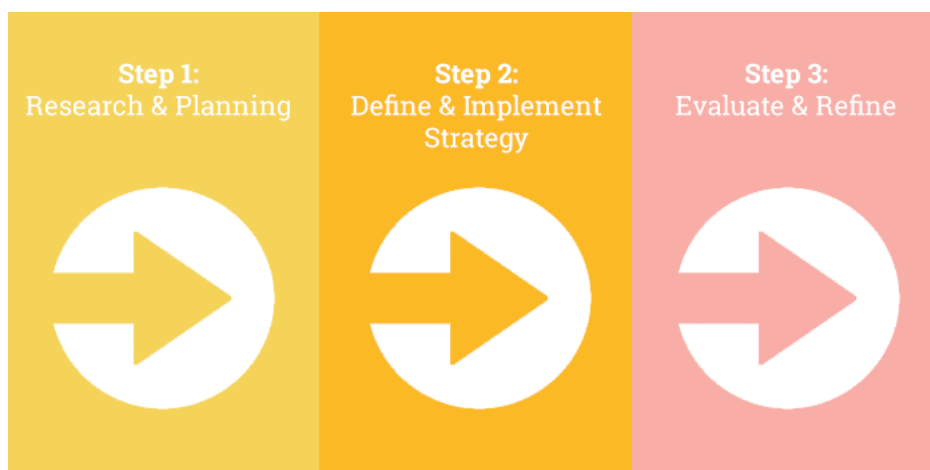
CONTENTS

Step 1: Research & Planning.....	4
Conduct Primary Research.....	5
Conduct Secondary Research.....	5
Curate Your Knowledge.....	6
Know Your Customers.....	6
Know Your Brand.....	7
Step 2: Define & Implement	8
Online Marketing.....	8
Set Up A Website.....	8
SEO	9
Create Original Content	10
List Your Website On Directories.....	10
Get On Social Media	10
Offline Marketing.....	11
Create Professional Marketing Collateral	11
Attend Networking Events	12
Encourage Referrals	12
Step 3: Evaluate Your Efforts.....	13
Customer Acquisition Cost.....	14
Other Considerations	15

SMALL BUSINESS MARKETING A BEGINNERS' GUIDE

Marketing is an essential part of business today, no matter what size. Large corporations spend millions on marketing initiatives and employees who create multi-national campaigns that generate lots of buzz while small businesses try to attract a smaller group of customers that are particularly relevant to their niche.

The main thing that sets small business marketing apart is that it's often done on a much smaller scale with a much lower (possibly non-existent) budget. There are however several small business marketing strategies you should consider implementing to get your start-up off the ground, or get your established business noticed ... and they won't break the bank!



Think strategic, think smart, and follow our small business marketing steps to success.

STEP 1

RESEARCH & PLANNING

Research is a vital part of developing your small business marketing strategy. You can't grow your business in a silo; you need to know what's going on in the wider market so that you know where your business fits in.

Marketing Research

Primary

Gathering Information directly from the source.

Secondary

Using Information that's already been compiled.

Surveys

Published Statistics

Interviews

Reports

Observations

Media

Focus Groups

Trade Journals

CONDUCT PRIMARY RESEARCH

Primary research involves gathering information directly from the source – your potential customers. There are a variety of methods of conducting primary research, from surveys to observations, questionnaires, focus groups and personal interviews. Which one to use will depend on the information you're trying to gather.

Consider the following before making any decisions:

- » What do I want to discover?
- » How do I plan on discovering it?
- » Who am I going to talk to / observe / survey?
- » How am I going to be able to gain access to these groups or individuals?

This will inform your method of primary research. For example, a survey is good tool for giving a comparative overview of specific questions from a larger sample group, while a focus group can be more useful for brainstorming and generating new ideas.

CONDUCT SECONDARY RESEARCH

Secondary research is information that's already compiled and organized for you, such as reports and studies by government agencies, trade associations or other businesses within your industry.

Using pre-collected data can give you access to a wealth of information on a scale that you would be unable to obtain yourself. Ensure you look for secondary research from reputable sources and use it to form your own ideas as to your small business's marketing strategy.

CURATE YOUR KNOWLEDGE

Once you have a good grasp of the industry you're in, you can start to consider who your customers are and why they chose (or will choose) to buy from you instead of our competitors.

KNOW YOUR CUSTOMERS



In order to grow your small business, you need to know who is buying for you. Get an idea of your ideal customer by considering:

- » What is their demographic? Age? Education? Occupation? Income?
- » What is their location? Where do they live, work or buy your product or service?
- » What does your product do for your ideal customer? What are the benefits your product offers that are the most important to your ideal customer?
- » When does your customer buy your product? Seasonality? What motivates them?
- » How does your customer decide to buy yours or similar products?

If you've been in business for a while, chances are you'll have a good relationship with at least a few of your customers. A good starting point can be to speak with them and find out their answers to these questions. Newer businesses who do not have customers to ask should map out their ideal customer by answering these questions.

KNOW YOUR BRAND

Marketing is what you do, branding is what you are

Small businesses often overlook their brand, assuming it's something for larger corporations to worry about. However branding is a huge part of small businesses marketing as it has a huge impact on the impression you make on your customers.

Your brand expresses the core of your organisation, articulating your business values and your vision for the future. Before moving forward with any small business marketing initiatives, you must have a clear definition of your brand.

Your business brand should be made up of 4 key elements:

Logo

Your logo is often the first impression your business has on potential customers, suppliers, and business partners, who will then make quick judgments about whether or not to do business with you. A good logo can build trust, and help you stand out from competitors.

Value Proposition

Your value proposition articulates the way your business operates – from sales to production to service and beyond. It is a promise you make to your prospects and clients, wherein you clearly state how your products and services will be an asset to them.

Tagline

A tagline is often remembered by your prospects even over your business name. A well thought out and researched tagline will narrow down to the true core value that you provide to your ideal clients by defining how you're different and why your target market should do business with your company over your competition.

Brand Story

Your brand story is more than the corporate narrative you share on your website, in a brochure or in presentation. It's what your customers and prospects believe about you based on the signals your brand sends. The story is a complete picture made up of facts, feelings, and interpretations.

STEP 2

DEFINE & IMPLEMENT

As a small business, you do not have time and resources to waste, so you must use them as efficiently as possible, which is why step 1 was so important.

Having done your initial research, you can use it to inform your small business marketing strategy. With an in-depth insight into your position in the market, as well as your customers and potential customers, you can start to consider the platforms that may be useful to you.

Here are a few marketing channels and initiatives your small business should consider:

ONLINE MARKETING

With over 80% of the Australian population online, it's a good place to start with your marketing strategy. Online offers a range of free and paid marketing mediums. For small businesses, free advertising is a gift that cannot be turned down.

Start by creating a website and build your online presence from there.

SET UP A WEBSITE

According to the Australian Bureau of Statistics, almost half of today's Australian businesses have a website, even if they're not selling anything online.

An incredible 82% of the population conduct research online before making purchases [Retailing Today, 2013], so having a website is a worthwhile investment of your time and resources.

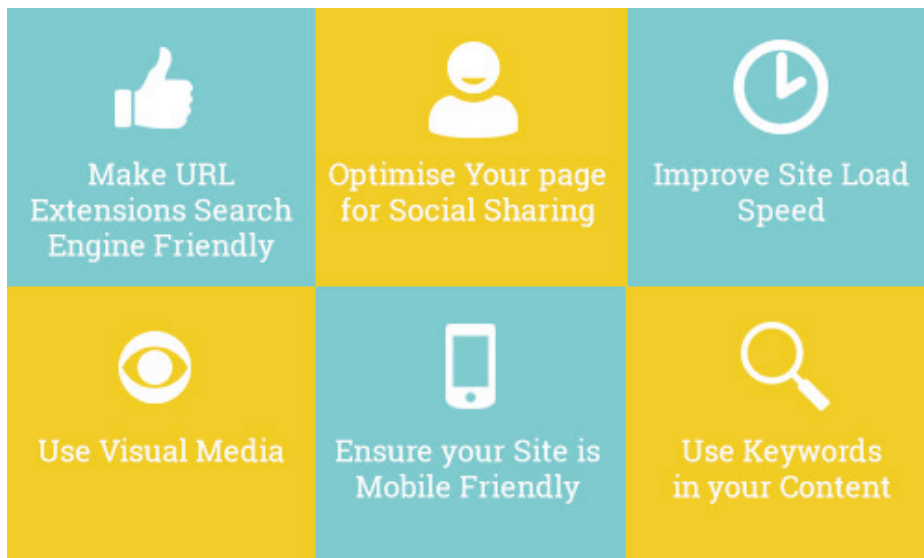
Often your first point of contact with a consumer, your website may be the first chance you have at making a good impression on a potential buyer, so make sure it looks good. It may be worth investing a little bit of cash for the initial set up to ensure it looks professional and credible.

Once you've set up your website there are several steps you can take to ensure you are noticed online.

SEO

Search engines such as Google, Bing and Yahoo! are the primary method of navigation for most internet users. These engines can drive targeted traffic to your website, so that people looking for what you offer can find your website.

You can help this process along by devoting a bit of time to SEO (or Search Engine Optimisation). This is a process that involves understanding what your prospects are searching for and ensuring your site displays in the search results. There are specific SEO best practices that you should follow to increase the likelihood of ranking well on search engines, such as:



Well-managed SEO can have a great effect on your small business marketing including increased publicity, revenue and exposure.

**For more in depth insight into SEO, refer to our blog:
Nine Steps to Perfect Small Business SEO.**

CREATE ORIGINAL CONTENT

Posting regular content to your website is a good way to improve your search engine rankings and increase engagement with your customers and potential customers. This is called content marketing, and a good way to do this is to create a Blog on your site, and update it on a weekly or fortnightly basis.

Depending on your industry, you may wonder what you would blog about. Keep an open mind and consider topics that relate to your business that your customers may be interested in. It's easier than you'd think to come up with topics, think about the industry you're in and the products you sell in relation to your customers. Fashion retailers can talk about the latest trends, Bear in mind that blogs should be a minimum of 300 words to be indexed by Google... and get writing!

LIST YOUR WEBSITE ON DIRECTORIES

Directories provide valuable links to your website and allow your customers and potential customers to easily find on the web. The following directories all have a great following and offer free business listings that can get you noticed:

- » TrueLocal
- » Yelp
- » Google My Business

GET ON SOCIAL MEDIA



Social media is now the number one activity that people do online [Business Insider, 2013]. Leveraging the power of social media marketing can hugely increase your audience and customer base. There are far too many channels to use them all: Facebook, Twitter, Google+, LinkedIn, Youtube, Pinterest & Instagram are just the tip of the iceberg.

Before starting out, consider your business and what it sells. What are people interested in? Visual products such as fashion and furniture do well on sites such as Pinterest and Instagram while B2B small business marketing tends to see more success on LinkedIn. Depending on your products and audience, evaluate the channels most relevant to you.

Follow these 5 golden rules:

1. Listen to Your Customers

Read your target audience's online content and learn what's important to them – use this to inform your own content marketing strategy.

2. Share Original Content

Social Media is the ideal place to promote your blog and content. If your audience then shares it with their contacts, you will see your reach significantly increase.

3. Quality over Quantity

It's better to have 1,000 online connections who read, share and talk about your content with their own audiences than 10,000 connections who disappear after connecting with you the first time.

4. Be Patient

Social media success doesn't happen overnight. In order to achieve the results you want, you have to put in time, effort and resources.

5. Build Relationships

Building relationships is one of the most important parts of social media marketing success, so always acknowledge every person who reaches out to you and remember to share other people's content.

OFFLINE MARKETING

Offline marketing is an essential element of any small business marketing strategy and often has a greater effect than on their larger counterparts. It involves any form of communication with your customers – every touch point is an opportunity to influence, from invoices to email.

CREATE PROFESSIONAL MARKETING COLLATERAL

Before you attempt any offline marketing initiatives, it's important to be prepared with a few key pieces of printed marketing collateral that you can hand out to prospective customers. Business cards, Corporate Profiles and Product Brochures are all excellent materials to have in your portfolio.

Your marketing collateral is the key communication tool for sharing information about your business, products or services with prospective clients. It can also be a significant component of how your business is perceived by prospects and customers.

It is essential that all pieces of marketing collateral that you have not only comply with but strengthen your brand. Be sure to include your logo and tagline everywhere to increase brand recognition. It may be worthwhile investing in a company that can work on these materials for you. Once they are completed you won't need to worry about them again.

ATTEND NETWORKING EVENTS

Once your marketing collateral is ready – take it with you to networking events. If you own a small business, networking can be an inexpensive way to promote it and discover new opportunities, build your customer base and find new suppliers and staff. Depending on the event, you may also find potential investors and business partners.

Research the events in your area and find one that suits your business. Attend as many as you can offer to present at some that are particularly relevant. If there aren't any that grab your interest – hold your own!

As previously discussed social media, LinkedIn in particular, is a fantastic tool for online networking. Once you've met someone in person connect with them online and expand your range of networks.

ENCOURAGE REFERRALS

82% of small business owners have said their main source of new business is referrals [Constant Contact, 2013].

Referral marketing is a very worthwhile initiative for small business marketing, and is very much dependant on all of the marketing initiatives you undertake and every other part of your business. Referrals come from satisfied customers and quality business contacts who believe in your business, but sometimes they just need a nudge. Consider the following initiatives can encourage referrals for your business.

- » **Harness your Business Contacts:** Partner with a business or businesses who offer a complementary service but are not in direct competition with you. You can use networking events to meet these contacts and create an ongoing relationship that's beneficial for both parties. For example a mechanic could team up with a car salesman to offer a more comprehensive offering to their customer.
- » **Make Your Customers Your Advocates:** Encourage your existing customers to refer you to a friend or contact by offering an incentive. This promotes word of mouth and works particularly well for gyms and other service-based businesses.

STEP 3

EVALUATE YOUR EFFORTS

In order to be successful in small business marketing, you have to know what works and what doesn't. Unfortunately the only way you can do this effectively is through trial and error.

Apply your knowledge and research to decide your initial marketing strategy, but constantly monitor and refine it to ensure business growth. Marketing is measurable, and you should take advantage of the statistics, data and analytics at your disposal.

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Here are a few metrics to consider when evaluating your small business marketing efforts:

CUSTOMER ACQUISITION COST

This will tell you how well your marketing is performing from a financial point of view. This is your total sales and marketing costs, divided by the number of new customers you have attracted.

This is the equation to work this out:

A graphic showing the equation for Customer Acquisition Cost. It consists of a teal header with the title "Customer Acquisition Cost", a blue body containing the equation, and a white horizontal line separating the numerator from the denominator.
$$\frac{\text{Advertising Spend} + \text{Salaries} + \text{Commissions} + \text{Overheads}}{\text{Number of New Customers}}$$

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OTHER CONSIDERATIONS INCLUDE:

Opt-Ins

This metric will help you measure how well you are capturing leads and is useful to incorporate how well your marketing initiatives are performing. Just because customers don't convert straight away doesn't mean that they won't in the future so it's definitely a worthwhile metric to consider.

Customer Satisfaction

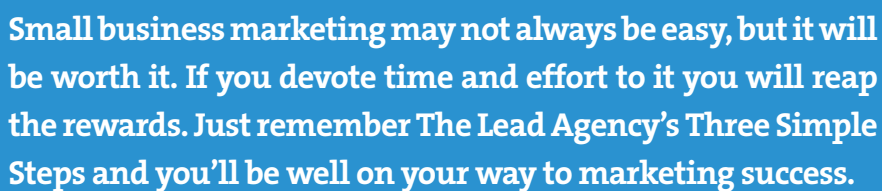
Scoring customer satisfaction levels can help you determine how well your customers believe you are delivering on your promises and the expectations that you set during the marketing and sales process. This can inform what parts of your system need to be improved

Lifetime Customer Value (LCV)

Is a way to assign a dollar value to the long-term relationship you have with your customers. LCV can help you determine how well you're repeat sales, cross selling and up-selling efforts are performing.

Referrals Received

The number of referrals you have received can be useful in measuring your referral marketing results. You should also consider measuring the number of referrals you have given, as this can be a leading indicator of the referrals you have or are likely to receive.



Small business marketing may not always be easy, but it will be worth it. If you devote time and effort to it you will reap the rewards. Just remember The Lead Agency's Three Simple Steps and you'll be well on your way to marketing success.

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