

## WORKSHOP: STRATEGIC MARKETING FOR THE SME AND THE MICROBUSINESS (Section One)

### (Section One) Introduction

Integrating traditional marketing methods with modern digital and electronic media As a separate workshop on social networking is being held today, I will avoid duplication by confining myself to the issue of integration

### Integrating Traditional & Online Marketing

Traditional marketing and online marketing methods have one principle in common - it is not just one activity but a combination of marketing activities that will promote the business successfully

Traditional marketing methods were evolved by manufacturers of mass -produced household products such as the giants (Unilever and Procter and Gamble) to sell their soap and toothpastes through mass -media campaigns for mass consumption

The methodology for producing such advertising campaigns is highly professionalisednobody could afford a mistake---and involves formalised product, market, competitor, and customer research. Such advertising campaigns are based on a solid platform of accurate information from which a creative platform emerges for hardworking, hard- hitting copy and visuals delivered via a carefully scheduled media plan.

Unfortunately this strict discipline has not touched the sphere of online media. The content of websites, emagazines and social media is of shockingly poor quality, in terms of bad grammar, spelling errors and very poor overall compositionplus a total absence of graphic design input.

The division between the amateur and the professional has never been more evidenton-line material and social media content that has been based on a sound data platform looks good, reads well and, above all, works. Unfortunately the vast majority of on-line and social media content fails

the most basic test and the whole genre has a tacky, illiterate image as a result.

The most urgent area needing focus when integrating traditional and online media is above all to always follow the traditional principles of marketing laid down by the experts, ready to use.

These are the principles we will examine in this workshop

It is necessary to get the business "on the radar" of target customers and private end-users as per the potential customer list using every appropriate marketing tool available To this end, traditional marketing must be used, enhanced by integrating the new dimension of online marketing to maximise awareness. For example, it is necessary to ensure that all marketing materials (adverts, leaflets, business cards, etc.) provide details of the Website address, Linked in address; Facebook address and Twitter address plus email addresses.

Web sites and social media are a passive form of marketing and should not be thought of as a substitute for traditional marketing techniques. In order to drive and maintain "traffic" (i.e. visitors) to the Web site, and to maintain social media at high activity levels they must be integrated into the traditional methods outlined in the marketing and communications strategies. This will require a mixture of on-line promotion techniques with on-line search engines, plus traditional techniques, e.g. direct mail shots to customers to make them aware of the Web site.

## PRESENTATION: UNDERSTANDING THE MARKETING AUDIT (Section Two)

### **The Company:**

Name of Company, Subsidiaries, Branches,  
Part Of Chain, Structure.

### **The Product:**

What is the product? How many?  
Describe each. Any product development planned.

### **History:**

When did organisation start?  
How did it develop?

### **Pricing:**

What do you charge for your goods/services?  
Are your prices high, competitive or low?  
Why are they priced thus?

### **Packaging:**

What sort of package do you offer for your  
price? Brand different packages and give them  
an identity. Helpful in tendering and to create  
prospectus.

### **Brand Positioning:**

What is your company status in the  
marketplace? Are you a premium brand, a standard  
brand or a bottom of the range brand?

### **Consumer:**

Who is your consumer/s? Have you a direct  
or/and indirect consumer (customer)? What age  
group? What income group? What geographic  
area? Identify each consumer category.

### **Market:**

What is total market? In terms of £'s? In terms of  
geographical location? In terms of numbers of  
consumers? If local what is size of local market?  
What are boundaries?

### **Market share:**

What percentage of this market do you already  
have?

### **Competition:**

Who? Direct? Indirect? Where? Geographic  
location? What % of market does each have? Why?

### **USP/KSP:**

Any edge on competition? Any particular selling  
point? If not, why not? Establish one and include it  
here.

### **Added value:**

Do you have any added value over your  
competitors?

### **Brand Value/Position:**

Do you have a value brand? If so what brand  
positioning do you wish to achieve?

### **Objectives:**

List your marketing objectives.

### **Problem Areas:**

List the problem areas that could prevent you from  
achieving your marketing objectives.

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### WORKSHOP: PRODUCING YOUR OWN MARKETING AUDIT (Section Three)

**Team exercise:**

Each group of 4/5 delegates is given one of the other delegates' audit document to critique and suggest additional data

## PRESENTATION: HOW TO WORK OUT A MARKETING STRATEGY (Section Four)

### CORPORATE ASSESSMENT

This quick assessment is done purely from the viewpoint of the marketing exercise viz to assess whether the company has the systems and procedures in place to support the implementation of the marketing strategy and ensure that it succeeds over the long term

- Self Assessment Questionnaire
- Business Strategy and Planning
- Marketing
- Design and Product Development
- Operations
- Quality
- Purchasing and Supply
- Human Resources
- Innovation

### MARKETING STRATEGY

Marketing - The first step is to be very clear about the difference between marketing and sales as follows:

- Marketing Function
- A planning function
- Part of management
- An internal activity
- Concerned with product/management
- Interface with suppliers, ad agency, distribution, sales, communications, management etc
- Prepares sales strategies based on marketing plans

#### Sales Function

- An executive function
- Part of marketing dept
- An external activity
- Concerned with customers/product

- Customer/company interface
- Implements marketing plans

### PROBLEM AREAS

It is proposed to examine the problem areas first so that the company is geared to implement the marketing and communications strategy:

Problem areas:

Problem area 1: Problem area 2: Problem area 3:

#### Marketing Objectives:

- Meeting the Marketing Objectives
- Marketing Objective 1:
  - Appointing a PR/Marketing Agency some guidelines:
    - Make sure the agency is well known
    - Make sure you are guaranteed to have key personnel assigned to look after your account
    - Involve the agency in the working of the company as much as possible. If you have reservations about this, you have the wrong agency.
    - You will save on bills if you deal with issues that bother you at an early stage - don't let the design gurus intimidate you. Voice your reservations promptly.
    - Employ the agency on a short term renewable contract e.g. 3-6 months. Experience shows that an all inclusive retainer fee ensures that there are no little surprises in the bill.
    - Make sure that you receive estimates for design, and production of every additional item of your marketing materials, no matter how small. Do not permit any surprises ever.

## PRESENTATION: HOW TO WORK OUT A MARKETING STRATEGY (Section Four Continued)

The agency should be required

- To liaise with the design house selected (if not in-house)
- To plan and supervise the design, copy and production of all marketing materials identified including upgrading the website, adding appropriate social media
- To plan the print/ broadcast media advertising campaigns required

### Marketing Objective 2:

The classic methods of increasing the customer base are:

- a) Tap new markets
- b) Take customers away from competitors
- c) Sell more to existing customers

Collecting market intelligence is a strategic issue and should be done as part of day-to-day activities. Methods of sourcing market intelligence on competitor's activities vary from sector to sector but these are a few sources common to all businesses:

*Reps* are a source of gossip and information and should be seen, offered coffee, and encouraged to talk while, of course, giving away no information or giving disinformation.

*Suppliers* are usually also suppliers to competitors and are a good source of market intelligence. A point should be made of seeing and chatting with suppliers regularly, ideally at their premises.

*Customers* are always being approached by competitors and, if a good relationship is maintained, will keep you informed of the details of these approaches. In addition, the usual pathways of collecting competitors' brochures, and picking up literature at exhibitions etc should be used.

*Competitors' Websites and social networking sites* should be carefully studied and plundered for whatever information they offer.

Dates should be entered in the diary at regular intervals for pursuing market intelligence.

To sell more to existing/dormant customers

### *Customer Questionnaire*

"In our drive to improve the service we offer, we request your cooperation in filling out this short questionnaire - to help us serve you better in the future.

- Name and contact details
- When did you last use xyz?
- How happy were you with the experience?
- Did any aspect of our working methods particularly impress you? Please give brief details
- Did anything annoy you? If so, please give brief details
- Is there any service you would like to see added to our capability?
- Would you recommend us with confidence?
- Would you use us again?

Thank you"

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### WORKSHOP: PRODUCING YOUR OWN MARKETING STRATEGY (Section Four)

**Team exercise:**

Each group of 4/5 delegates is given one of the other delegates' strategy document to produce an action plan

## PRESENTATION: PRODUCING A COMMUNICATIONS STRATEGY BASED ON THE FINDINGS OF THE MARKETING STRATEGY. MEDIA SELECTION OFF AND ONLINE (Section Six)

### MARKETING COMMUNICATIONS STRATEGY

*Make sure that traditional & online marketing materials are integrated*

#### Traditional Marketing Communications

##### Advertising

Advertising is a paid-for medium which is expensive, but pays dividends when the right medium is selected. However, it must be made sure that the advertising spend is viewed with reference to the production capacity of the company. You must be careful not to expend money on generating a response that you cannot fulfil.

But an advertising campaign must be approached with caution. All issues must be weighed carefully before committing to any expenditure. Reaching a mass market of public customers effectively is an expensive exercise. It is always advisable however to have an entry in Yell.com and in any relevant trade directories, off and online

##### Public Relations

There is no denying the value of a good public relations campaign. Remember to target publications that are read by the target customer and try to place news stories in these publications.

In addition to the free-of-charge advertising potential of a well-placed press release, the fact is that PR has very specific business and management advantages as follows:

Business and management benefits of Public Relations

- Recruitment advertisements always attract a better level of applicants if preceded by a press release. Good applicants will always prefer to work for a company with a higher profile.
- Staff morale improves considerably every time the company is mentioned, particularly in the local media. It gives them standing in the local

community and a pride in the organisation they work for.

- Funding applications to lenders for loans or grants should always be preceded by a press release so that the lender is prepared with the feeling that the company is established and reputable. Visits to the bank manager are always more comfortable when the bank has seen a (positive) story about the company in the local media.
- Softening local authorities and other regulatory bodies prior to application for planning permission or inspections etc. with a press release can never do any harm. The company's case is always treated with more respect if these bodies have a positive prejudice for the company.
- The adverse publicity generated by an impending legal wrangle or other crisis such as a works accident, redundancies etc. can be pre-empted by means of a well timed press campaign thus assisting in disaster management.

A press release has many advantages over advertising. However, there is no control over where or when the press release will appear and no guarantee that the journalist will not alter your words.

It is recommended that a press release goes out to the local or trade press at least every two months. Below are guidelines and PR opportunities that are useful to plan and issue a PR campaign. However if finance permits the services of a professional PR Agency should be used

## PRESENTATION: PRODUCING A COMMUNICATIONS STRATEGY BASED ON THE FINDINGS OF THE MARKETING STRATEGY. MEDIA SELECTION OFF AND ONLINE (Section Six Continued)

### Press Publicity

#### Identifying Public Relations Opportunities

Editors are usually interested in news stories that deal with the following topics. The PR Plan must include releases based on relevant items:

- Sponsoring an event or charity.
- Donating something to charity.
- Appointment of a new member of staff.
- Job creation.
- Award of a major contract.
- Capital investment.
- Any special anniversary, i.e. number of trading years.
- Launch of a new product or service.
- Hi-tech equipment.
- Anywhere your company fits in with a trend.
- Any special green initiatives you are making.
- Taking on someone who is older/women returnee/disabled.
- Joint projects.
- Winning an award.
- Export news.
- Expansion.
- Moving to improved premises.

### Sponsorship

The golden rule of sponsorship is to ensure that it is used in the areas that conform to the target customer profile. All small businesses should be aware of the advantages of sponsorship and should explore this low-cost high-visibility option further. For example sponsoring the menu/programme at a Business /Trade Association function could cost as little as a small advert but would pay dividends in

high visibility in the B to B target market.

Care should be taken to schedule all these communications activities to ensure a steady flow of marketing activity.

### TV/Radio

Both media have enormous impact but achieving news coverage can be difficult. Advertising on TV/Radio would be a good medium to reach the public consumer, but the cost is prohibitive and the exposure short-lived.. Most microbusinesses /SMEs do not have the capacity to meet the demand so created. Equally, for a business with a local customer base, the wastage is astronomical.

### Cinema

Big screen advertising is a valuable medium because it is possible to select the film which attracts the appropriate target audience. Big screen advertising is cost effective in both production and screening charges and needs to be explored

### Direct Mail

A direct mailing either by snail or email offers information and details in hard copy which can be a valuable reminder medium and a calling card to reduce the inherent problems in cold calling. Always take professional help to design and write each direct mailer. The procedure for a result orientated direct mailer is as follows:

- Do your homework. Select a mailing list that corresponds to your target customer closely.
- The mailer should be properly designed and laid out - using a professional designer .
- The mailer should be short - three paragraphs at the most. Any additional information such as product benefits etc. should be in bullet points.

### PRESENTATION: PRODUCING A COMMUNICATIONS STRATEGY BASED ON THE FINDINGS OF THE MARKETING STRATEGY. MEDIA SELECTION OFF AND ONLINE (Section Six Continued)

- A business card must always be attached to the mailer; this is usually the only item of the mailing to be retained.
- An email reply form for further details usually generates response.
- The mailing should be done in small staggered lots it can be difficult to cope with responses if a bulk mailing goes out.
- The response kit must be prepared in advance. Be prepared to send out brochures, book appointments etc Staff should be in readiness to handle specific enquiries generated by the mailer.
- Try to issue the mailing following the appearance of a press release so that potential customers are already familiar with the company name.

#### Website

A professional web/social media site must involve the services of a qualified graphic designer, an accredited web technician and a qualified copywriter. Anybody who offers 'web design' without the presence of these three players will produce an amateurish site, riddled with embarrassing grammatical errors, design flaws and poor presentation and your money down the drain.

#### Website/Brochure

The same rules apply for determining the content of both these media. They both are an excellent way to reach out to potential customers and to remind customers of your full product capability. Both need to give a comprehensive introduction to the company. As such, there should be a brief outline of the company's background in order to establish credibility and customer trust. They should contain a complete capability index so that the customer knows every service that the company can offer. It is vital that the product benefits rather than the

product features are explained because features say little about what the products can actually do for the customer. The company's unique selling proposition should be included in the brochure. A map establishing the company's location is also necessary.

The website and brochure need to portray an image and a standard that reflects the brand image of your company/ product. A professional design house should be used.

#### Newsletter

Golden Rules for a Good Newsletter A newsletter, both online or in hard copy, is a valuable reminder medium and should contain an update on all items included in the brochure. The newsletter is an opportunity to update the brochure and need not be too ambitious in format. Some guidelines for a good newsletter follow:

- Avoid larger blocks of text. Many small items are more reader friendly than one or two long articles.
- The newsletter must be professionally designed in order to avoid the home-made, downmarket image created by amateurish DTP efforts. Use a design studio, not a printer. Printers cannot afford the top grade designers needed to create an upmarket image for the company.
- The main aim is communication. Do not sacrifice legibility for design impact.
- Use a professional copywriter to produce polished stories with attention getting headlines.
- A newsletter must contain news about your company. Every article should have immediacy and topicality.
- Photographs are essential to retain reader interest.

### PRESENTATION: PRODUCING A COMMUNICATIONS STRATEGY BASED ON THE FINDINGS OF THE MARKETING STRATEGY. MEDIA SELECTION OFF AND ONLINE (Section Six Continued)

#### **Personal Promotion**

The social capability of the microbusiness/SME should be exploited to the full. Raising your own profile locally by 'seeing and being seen' at business events also raises the profile of the company. This is not only of immediate commercial use, it enhances the image of the company if the management is seen to be among the movers and shakers of the business community. It is recommended that they identify and join business/trade clubs where potential customers are members and use the network route as part of the Marketing/Public Relations/Sales campaigns.

It is not enough, however, to merely attend these meetings. The cost of membership and attendance is high, and the time invested is also a consideration.

#### **Exhibitions**

The cost of a stand at any reputable trade exhibition is high, and it is understandable if a small company is reluctant to embark on such expenditure. However, the advantages are considerable, in particular the opportunity to meet potential customers and possible agents face to face at a closely targeted event.

#### **Word of mouth**

Personal recommendations are often the best form of advertising once the company has established a wide customer base. The network route of personal promotion can often lead to recommendations even when the directors may have failed to meet potential customers face to face at a business/trade event.

Word of mouth is a slow but infallible method of selling; a strategic communications approach as outlined here will speed up the process.