

## Need a Plan for Marketing?

06/12/06

Maybe you can give me some suggestions. I am a small business owner, about \$1 million in sales. I've been the one doing sales, and am getting ready to hire my first sales person. Here's the problem. I don't think I have enough leads to keep a full time sales person busy. And I don't have any organized marketing efforts. We go to a couple trade shows each year, and I have a website, from which I get a few inquiries each year. Most of my leads come from referrals from existing customers. I figure it may take my new sales rep a year or two to build up to the kinds of referrals I'm getting now. What should I do?

Great question! And a very insightful owner! Recognizing where your leads come from today, and having any leads at all to work with, is a big start. Acknowledging that most sales reps start out cold, and less productive than they could be, is also smart. Stepping back from day to day activity to look at the bigger picture of what's happening, or could be happening, is what it's all about for an owner, and this owner is doing just that!

Let's start to answer this owner's question by defining terms: what's the difference between marketing and sales. Then we'll look at an array of marketing efforts that any owner can put to use. And we'll wrap up with advice on how to put a variety of

activities into a marketing plan that makes sense.

Marketing and sales are two very different disciplines. Both are broad categories encompassing many different skills. Unfortunately, most people confuse the two, or don't have a clear picture about what each means. Lack of clarity can result in wasted effort and less than optimum results.

Here's a definition of marketing and sales that we use for our clients; it seems to work pretty well. Marketing is all about announcements to the world about what you do. You are letting the world know who you are. Your objective is to make people in your target markets more aware of your company and what it does, so that they are more likely to engage with your company and buy your products.

Sales is the engagement, between someone in your company and someone in your target market, specifically for the purpose of possibly doing business together. Here's what I mean by that. Sales includes anytime you are speaking directly with a suspect, with someone who could possibly buy from you, by phone, fax, letter, email, proposal, questionnaire, etc., about whether they need what you do. Implied in this definition are a few things. To be on the sales side of the fence, you have to be able to identify who you are

talking to. You have to be engaging in a back and forth exchange of information.

And, you have to be qualifying whether what you do and what your prospect needs is a match.

Now, let's get back to marketing. Our owner is on the right track when talking about using marketing to fill up a sales pipeline. So many owners make the mistake of bringing on a sales person, and expecting them to do well across the full spectrum from identifying, engaging and entering prospects into the pipeline to closing sales deals. In fact, like many of us, some of the best sales people are specialists, and do best when supported by activities that compliment their skills.

Marketing is a way to increase sales productivity, and therefore sales. By increasing the number of people in your target market who know, recognize and are willing to engage with your company, you are likely to cover more sales ground faster and more efficiently.

There are a broad range of approaches you can use, in marketing, to get people to notice you. Here are some of the standard ones: direct mail, telemarketing, e-mail, e-marketing and web marketing, e-advertising and print advertising, newsletters, yellow pages, public relations, public speaking, premiums, and street marketing.

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You can write articles, attend trade shows, and hire distribution reps, And, of course, as our owner acknowledged earlier, one great source of leads is referrals from customers and experts in the industry. The list of possible marketing activities is almost endless, and each area can be a discipline unto itself.

At this point, you may be saying, "That's too much! How can I keep track of all that, and fund all of those efforts?" You're on the right track. You probably can't launch all of that at once. And you won't know until you try which ones work the best, or work best in combination with other efforts.

You are going to have to pick your shots, develop trials, and track results. This is where the marketing plan comes in. To start your plan, you can do some research. Go to existing customers and ask them how they first heard about you. Look at what your competitors are doing. Find out how your newest customers get their information about all of the different products or service they buy.

Meet with some marketing people, and learn about the array of efforts your company could put to use. Find out what things cost to produce and distribute. Ask about the conditions under which different efforts tend to be more or less effective. And, of course, find out what things cost. Figure out who you want to work with,

and don't make the mistake of trying to do marketing on your own. There's a lot to know about what works, and what doesn't in marketing, and you need an expert or two to help you get optimum efforts.

Now it's time to put together a marketing plan. Lay out on a piece of paper all of your marketing options and costs. Estimate likely outcomes. Figure out how long each effort will take to test. Identify efforts that are likely to get a higher than average output when combined with another effort. Figure out how much money you have to spend, and identify 2-4 marketing activities you want to try. Define the trial: timeframe, expense, goal for results, who will be involved.

Before you get started with any marketing efforts, be sure to define how your company will respond when a lead is identified. Many companies spend a lot on marketing efforts, only to drop the ball and waste the lead once it comes in. Have a plan for lead response that includes what you send out as a follow up, who gets the lead, what should be said, and how you qualify the level of interest. Don't forget to have a system for re-cycling leads that don't immediately turn into something.

Once your trials are going, measure results and figure out which trials are working, and

which ones need to be tweaked or scrapped. Keep launching trials, over time, until you have identified a half dozen or more efforts that can reliably produce leads and opportunities. You want a balanced approach to marketing; don't put all your eggs in just one or two baskets.

Even on a limited budget, you can have several marketing efforts going, if you work at it for awhile. Regularly start new initiatives, and balance those with efforts that have been proven to be effective. If you split your investment in marketing between generating new efforts, and continuing proven efforts, you can keep refreshing what you're doing. For example, in direct mail, one of the biggest expenses can be the upfront cost of developing the mailers. Ask your designer and copywriter to design pieces that you can re-use. Track results, and re-use the most productive mailers, scrap or replace the non-productive ones. Designing your website can be a big upfront cost, with low expenses for maintenance and updates over time. Whatever you do, don't get discouraged and don't give up. As one of our clients said recently, I just made an investment in marketing that I know will pay off 2 years from now, just like I'm getting leads now from things I did 2 years ago.

Once you have an array of efforts going, you want to consistently evaluate how effective each one

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is. Over time, one venue that produced in the past might become less productive. And something that didn't produce on its' own, might turn out to be a star when combined with another effort. Pay attention to these combination producers.

For example, direct mail has a very low response rate when it is the only effort, but in combination with telemarketing, can produce significantly higher outcomes.

Look for significant leverage opportunities. For example, if you go to a trade show, you may pick up a few leads. What our clients have found, however, is that a group of efforts around the show can significantly improve results. Here are some of the things our clients are doing to improve trade show results: contact trade show attendees prior to the show to let them know you'll be there, sign up people ahead of time for appointments at the show, offer rewards for people who connect with you at the show, or who make a buying decision at the show, have a follow up routine after the show, go to the show with set goals so you know what you want to accomplish when you get there.

If you have never gone to a trade show, or marketed your company at a trade show, start slowly. Pick a few trade shows to look at, ones that your target market attends. The first year, go and walk the trade show floor. See what kind of activity is going on,

and which of your competitors are attending. Look at the busy booths, talk to those vendors, to find out what they are doing differently, that makes their booths the busy ones. The second year, you may pick a couple trade shows to attend as a vendor, in which case you'll need a booth and some hand outs. Work with your marketing and design team to put those together, with a professional look, consistent with the quality of what you saw at the show the previous year. Don't forget to pre- and post-market the show, to raise awareness and maintain momentum.

Let's get back to your overall marketing plan. Over time, remember that you'll have to be willing to scrap ideas you thought were good but they didn't pan out the way you thought, or they got tired over time. Be sure to replace them with something else. Watch how your marketing budget is being used, and if you see a drop in spending, use that as a warning sign that you need to expand your efforts. Remember that marketing, done right, is like having a money machine: your marketing efforts produce paying clients in a regular, predictable fashion. Steady, consistent, constant are the watch words in marketing.

Looking for a good book? Try Guerilla Marketing, or any of the books in the Guerilla series by Jay Levinson. They're full of practical advice. Also, Malcolm

Gladwell's The Tipping Point is all about what happens as a result of long term efforts.

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