

14 Steps to Sustained Business Growth

STEP 1. TAKE AN INVENTORY OF YOUR MARKETING & SALES KNOWLEDGE & EXPERIENCE

Whether you've been in business for a while or are just starting out and have no customers, you will want to gather information about your offering and your marketplace.

IF YOU ARE JUST STARTING AND HAVE NO CUSTOMERS/CLIENTS/USERS...

Your marketing and sales knowledge and experience is probably none or little if this is your first venture or if you are marketing what is a new product or service for you, possibly in new markets.

In any case, *this is crucial*:

1. You're never a real business until you have customers, clients, or users. *No one wants to be the first-time buyer of an unknown and untested product or service.*
2. But they may try your service if they can get a bargain. Stop here go get yourself some customers and a track record. One way to do that is to:
 - a. Give away one or two agreements in return for feedback, references, mention in promotion and publicity—a case history if you can get it.
 - b. Allow the next one or two customers a steep discount, perhaps 50%, with similar terms.
 - c. Then give the next one or two an introductory price that's discounted by a lesser amount.

What you are aiming for is a few happy users customers who will speak well of and for you. Find prospects that are willing to work with you to make sure the service is in good working order. Make sure you have a written agreement (sample agreements are in the *Toolshed*) even if you have given the service away. The agreement is vital, less as a contract than as a clear statement of what is expected of each side.

That mission accomplished, you've got a real business and you've got marketing and sales experience!



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Exercise 1-1 for New Start-ups: Identify Possible Customers & Offers to Attract Them

EARLY BIRD CANDIDATES	IDEAS FOR DEALS

IF YOU ALREADY HAVE CLIENTS/CUSTOMERS/USERS...

. . . you must have had some marketing and sales experience. Even if your customers are pre-qualified solid referrals, you still have to present them with something, persuade them that you live up to the billing, and negotiate an agreement.

Take a look at your hidden past, a vital marketing asset.

You had to write letters, make presentations, prepare proposals, build a network of recommenders and introducers, or do favors for others who owe you one.

Search:

- ✓ Go through your electronic and paper files.
- ✓ Get out those letters, presentations, and proposals.
- ✓ Go through your organizer and old calendars to recall important meetings, to remember significant experiences.
- ✓ Look around your office for any other pieces of paper that might be relevant.
- ✓ Print out your web site.
- ✓ Go through your address book and cell phone.



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Make notes:

- ✓ What are the themes that run through the documents?
- ✓ What were the salient points you tried to make?
- ✓ How was your service described?
- ✓ What offers did you make?
- ✓ In what ways did your research clarify your understanding of your target audience?

A paper trail of your past pitches is somewhere in the documents used to make them. Try to track them in *Source/Notes*.

Exercise 1-2: List all your existing sources of information and key offers, theme, and points.

SOURCE	NOTES
Contact List	
Letters	
Presentations	
Proposals	
Agreements	
Ads, Brochures, Flyers	
Web Site	
E-mails, Faxes, Memos	

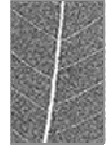
Start Building a List of Customers and Prospects

Maybe you have 10-20 names, perhaps hundreds; more likely, it's somewhere in between. The size doesn't matter. What's important is that you include your list in your inventory. Make sure the contact data is current. Later on, the list will be an essential part of the marketing process you install.



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Lessons Learned

Sift through all this for lessons you can learn. What messages seemed to work? What failed? ***Why did they buy? Or why did they walk?*** If you don't know or you're not sure, call them and ask, if possible. Those who did not buy or those who bought and left can teach you more than anyone else can.

Exercise 1-3: Identify What Lessons You've Learned

WHAT WORKED, WHY THEY BOUGHT	WHAT FAILED, WHY THEY WALKED

Whatever the themes you've been using, whatever the key points that seemed to work best for you, now try to sort them out by benefits and figure out **which benefits and features were crucial**.

BENEFITS AND FEATURES

"Eat fish, live longer," is the tag line of M. Slavin & Sons Ltd., a fish wholesaler in my city, New York. Fish is the feature. Note that rather than healthfulness or taste, "Live longer" is the compelling benefit they picked to persuade us to choose fish over other foods.

Features are characteristics of your product or service's structure, form, or appearance.

Benefits are what make your product or service useful, cost-effective, or promotes a user's well-being.

You didn't buy this workbook out of a profound yearning to learn the ins and outs of marketing; you bought it because you hope it will help you generate leads, get business, and put your business on a path to planned growth. ***Buyers write checks for benefits, not features.*** So which features enable your customers to attain which benefits?



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Exercise 1-4: Sort Out Your Crucial Features & Benefits

FEATURES	BENEFITS

COMPETITIVE ANALYSIS

Finally, do some competitive analysis. Print out Web sites of competitors and make notes. Study their pitches. See how your positioning differs from theirs, how your benefits and features stack up against theirs. What are your advantages and disadvantages? What competitive edges do you see for your business? These are important questions to ask.

Exercise 1-5: Identify Your Competitors and How You Compare

COMPETITORS	WHAT THEY SAY	HOW YOU COMPARE

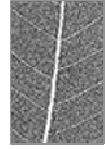
YOUR STRENGTHS AND WEAKNESSES

Your personal strengths and limitations are an important part of your marketing and sales knowledge and experience inventory. Are you good at meeting people and building your list, contact database, or Rolodex—otherwise known as networking—but not so good at cold calling or using technology? Do you make great presentations, but can't write a decent letter or proposal? Are you good at the early phases of the selling cycle, but wish you had someone else



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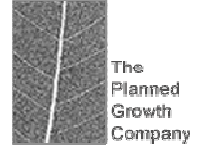
to negotiate and close?

Exercise 1-6: Identify Your Strengths & Weaknesses

	<i>STRENGTHS</i>	<i>WEAKNESSES</i>
<i>Writing</i>		
<i>Earning Confidence</i>		
<i>Presenting/Speaking</i>		
<i>Negotiating</i>		
<i>Closing</i>		
<i>Using the Internet</i>		
<i>Cold Calling</i>		
<i>Social Networking</i>		
<i>Other Areas</i>		

Knowing your limitations will help you anticipate problems down the road. You can get assistance with writing, graphic design, using the internet, and calling. Tap into part-time employees or interns, especially from a local business school. If an area is in need of serious attention, there are books, videos, and DVDs, courses or workshops at local schools or organizations, or information online on every subject. From business writing workshops to *Toastmasters*, from quick fixes like *The Learning Annex* courses to evening sales training programs, you should be able to find help in one way or another.

Review your inventory. Add it all up. What do you have? What are you missing? Take action!



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STEP 2. THINK ABOUT RESOURCES, PREPARE A SIMPLE PLAN

Maestro Andre Previn once observed that there's an exact moment when it's right to give the downbeat starting a musical work. If the beat is given a moment too soon or too late, the whole piece flounders. Marketing is about many, many things: ideas, beliefs, competitive advantages, enthusiasm, and much more. Logistics should be at the top of your list.

One of the most difficult tasks confronting you is bringing together people (even if it's part-timers or temps), materials, computer systems, means of distribution, and money to pay for it all so that you can begin your campaign at the right moment. Whether the right moment for you is in January and the start of a new year, when the fall selling season begins coincidental with a major trade show, or the launch of a new service, everybody and everything has to be in place and ready for your downbeat.

Here are some of the things you may need:

- 1. The Right List of Contacts—repeat—the Right List (Will be covered in STEP 7.)**
2. Brochure (hard copy and electronic versions)
3. Standard cover letter (hard copy and electronic versions)
4. Telemarketing script
5. Web site and blog
6. Social media channels
7. E-mail marketing company account
8. Contact management system
9. Marketing channel tracking system
10. Writer
11. Designer
12. Printer
13. Caller
14. Sales representative
15. Marketing coordinator
16. Letterhead
17. Couriers
18. Postage



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These items will be covered in detail as we move along. For the moment, the point is that you should get an early start on thinking about how you're going to make all this happen:

- What can you do yourself?
- Where will you need help? Where can you find assistance?
- How much money can you make available? Should you (and can you) obtain financing?

Consider: for your business to grow, ultimately you have to build an organization. At the moment, most of the functions of the business are in your head or the heads of a few people around you. The object of the exercise is to get those functions into the heads of others, even if it's for small portions given to:

- Part-timers found through classified newspaper or online ads or college career offices (graduate business schools are preferable)
- Temp firms that offer marketing specialists
- Student interns (college career offices)
- Suppliers

Marketing is labor intensive. That's why, even though I'm not going into the details just yet, I want you to start looking around for help.

Here's something to think about: I have encountered countless small businesses that were successful in large part through the assistance of family members who worked either with or without pay, or with pay well below market rates until the venture got on its feet (after which, of course, they were well-paid).

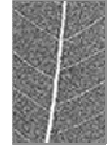
Keep in mind that none of what you do needs to be expensive. Unless you're in the financial services industry, less expensive will probably be more effective than more expensive. Your prospects are smart, too. They may well be turned-off by costly materials. After all, who's paying for them?

Above all, remember—it's content that counts. For many small and large businesses, I've used simple black and white brochures run off at a copy shop to market services to senior managers of Fortune 500 companies. Sometimes I did so for test-marketing purposes, thinking a nicer piece would be printed once the message was proven. In many cases, the more expensive piece was never developed because it was unnecessary: prospects were sold by the content, not the package. And with printing-on-demand, the options and resources for producing small quantities of inexpensive materials are greater than ever.



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Now a word about writing. Later, I'm going to encourage you to write yourself, or at least to start. (You should try your hand at everything to start.) But when you need help writing, look at resources for freelance assistance. Take a look at the National Writers Union Web site (www.nwu.org), Elance (www.elance.com), or craigslist (www.craigslist.com). Make your job specs as exacting as possible: you'll still get a lot of resumes.

EXERCISE 2-1: How are you going to get things done? Who's going to do what?

TASKS	POSSIBILITIES
Standard Letter	Self to start
Brochure <ul style="list-style-type: none"> • Writer • Designers • Printing 	<ul style="list-style-type: none"> • Freelancer, temp, feature writer on trade paper • Simple graphics software, copy/printing/graphics shop, freelancer • On-demand printing or copy shop, online printing services
Web Site <ul style="list-style-type: none"> • Designer • Writer 	<ul style="list-style-type: none"> • Self/web authoring software, freelancer • Self/freelancer
Blog	Self/blogging software/hosting company, freelancer
Email Marketing Company	Constant Contact, Vertical Response, iContact
Social Media Companies	Facebook, Linked-In, Twitter
Tracking System	Investigate Google Analytics, hosting tracking software
Marketing Coordinator	Intern or temp
Contact Management System	Evaluate ACT, Sugar, Outlook Express, Card Scan
Telemarketing Script	Self to start, possibly with caller's assistance
Part-time Caller	Classified ad in local newspaper
Stationery	Self, Kinko's, demand printing, online printing services
Couriers	Shop for service
Postal Services	A great resource: US Postal Service Web site: http://www.usps.com/smallbiz/



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OTHER RESOURCES

Visit a library, bookstore, or online bookseller with a good marketing and sales section.

Browse around. See what resonates with you. If you want my recommendation for one book to read above all others, I would pick *Consultative Selling* by Mark Hanna (New York: Amacom). The creator of the term "value added", Hanna presents significant ideas sure to inform your thoughts about marketing and sales. If that does not appeal to you, I urge you to read something to stimulate your thoughts and ideas on a crucial function of your business.

Possible areas of investigation: strategic and marketing planning, sales, electronic marketing, telemarketing, direct mail, advertising, publicity.

Here are a few other favorite titles that I still dip into decades after first reading them:

- *Managing in the Service Economy*, James L. Heskett, Harvard Business School Press
- *Direct Marketing Success*, Freeman F. Gosden, Jr., John Wiley & Sons, Inc.
- *On Writing Well*, William Zinsser, Harper Perennial
- *Born To Raise*, Jerold Panas, Pluribus Press, Inc. (About great fundraisers, *Born To Raise* is an inspiring book for anyone engaged in marketing and sales.)

These are my choices. You may find others that better suit your interests and tastes.

You also might stop in to a good magazine shop in your town or go online to a good bookseller. There's much to choose from amongst the marketing and sales titles.

OTHER MEDIA

A readaholic - nothing is true unless I see it in print - I'm not too familiar with other media, yet I know that you can find most of the topics discussed in this book on DVDs, VCRs, audiocassettes and, of course, online. Enter almost any subject in this book into your browser and I'm positive you'll find many, many citations, references, and links.

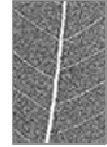
A SIMPLE PLAN

Now you have some ideas for who does what. The next question is in what sort of time frame? Jump ahead to Step 12 and read the section about Timelines (stripped down plans). Start working with them now. Use a simple timeline to plot the coming weeks (rather than months), something like *Weeks One through Six* on the opposite page. Download the form from the Toolshed to sketch in your first timeline. Use a pencil. Keep an eraser nearby.



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Sample Timeline for Getting Things Done

TASK	WEEK ONE	WEEK TWO	WEEK THREE	WEEK FOUR	WEEK FIVE	WEEK SIX
Content: Business Case Sale	First draft done Obtain feedback	Make revisions Final version				
Content: Copy Platform			First draft done Obtain feedback			
Pilot Project	Start working on list	Look for caller	Shop for courier Find out about USPO options		Prepare standard letter, script	Start calling

Let your timeline evolve as you organize your marketing and sales business process. It will be second nature by the time you're ready to prepare one for your first full-blown marketing campaign.



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STEP 3. POSITIONING: THE GROUND YOUR COMPANY STANDS ON

What is your most important message? Marketing ultimately reduces itself to one question: Why do they buy? Often the question can be refined into *how will the prospect make or save money?*

The marketing world has a number of buzzwords to help us answer the questions. One, mentioned in the previous section is "value-added" (also known as "the value proposition"). You've probably also heard of the "unique selling proposition"—the ever popular USP—and the equally ubiquitous "competitive advantage," often the "sustainable competitive advantage. And then there's the "business case sale." It all comes down to one question that hasn't changed in all the years since I first entered marketing: **what makes you different from the others in ways that will make or save money for the customer?**

That's easy, you say. You're better, faster, cheaper, more advanced, more powerful, more reliable, of higher quality, custom-made, nicer, friendlier, and to boot, attend much more carefully to the customer's individual needs than lowlife competitors who rip them off. There are several problems with this:

- Almost every claim on the list is used by your competitor
- Some of these overworked words—quality and reliability, for example—should be used sparingly
- Claiming too much depreciates your claim

Therefore, it's a case of poor or no positioning. Positioning is the ground your company stands on--and you want to make sure that it's rock solid.

It has been said *ad nauseam* in real estate and retailing that there are three principles: location, location, and location. In marketing, there are also three principles: positioning, positioning, and positioning. Quality and reliability, for example, are tried and true positioning; yet today they are vague and abstract. You must drill down so that you demonstrate product or service differentiation and innovation, and then explain how it will make or save money.

Example: Marketing for Smarties... a quick read, a lifetime resource.

The positioning implies:

- *Speed...* you're going to learn a lot fast; you can do so because you're smart.
- *Substance, durability and cost effectiveness...* you get a lot for your money because the book has substance that you'll use for a long time.

This is good positioning and a fairly good business case sale, yet not good enough to make a *true* business case. The audience for this book cuts across a wide swath of product and service



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capabilities and market sectors. Yet, it's not possible to quantify how long it will take to read the book, install the business process described, forecast how much money will be made or saved, and what the Return on Investment (ROI) will amount to. Here are some questions that you might ask about your product or service to help arrive at more precise positioning and a better business case:

- Will the service you provide attract hordes of new customers—say, an increase of $x\%$ a year, thereby attaining a rise in revenues of $y\%$ and profits on the order of $z\%$?
- Does it mean that the client will be able to charge more, making his business more profitable? If so, how can that be quantified?
- Or does it mean that the client's staff will have to spend 20% less time per customer per transaction, thereby enabling the client to fire 10% of his employees, adding 15% to his bottom line?

Getting your positioning right is crucial. ***If you can demonstrate the benefits by quantifying them, then you have the invaluable asset of a "business case" sale.***



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Exercise 3-1: Determine Your Positioning

Review your unique selling proposition, competitive advantage, and value-added or value proposition. Talk to a close advisor. Then write down the main ideas, the key phrases. Use these to determine the perception you want to create in the customer's mind.

Excellent. Now quantify as much as you can to create a "business case" sale. If you don't want to use dollars and cents or hard numbers, think about using percentages. For example, WholeLifeAlternative hair shampoo brightens your sheen over other products by 275%. If that still doesn't work for you, use words based on benefits, USP, etc.

Through your product or service, the customer is likely to:

Increase:

Number of unit sales:

Anticipated revenues:

Decrease:

Number of required employees:

Other costs: (e.g., with our solar panels, you can cut your heating costs by up to 30% per year)

This is meant to suggest a simple formula. You may have other, more appropriate and complex parameters to use in your calculations.