



MARKETING REPORT: HOW TO AVOID THE SMALL BUSINESS MARKETING MISTAKES THAT COST YOU SALES AND PROFIT

In this special report, we'll share some specific and easy-to-follow marketing strategies that apply to any product, service or business – strategies that will put results in your bank account in 60 days or less!

With the right amount of effort and knowledge, it's easy to create an extraordinary business that's exciting, profitable and fun – the type of business that provides you with financial freedom and an abundant lifestyle.

Unfortunately, though, the majority of people running small businesses don't understand what they should be doing when it comes to marketing strategies. Even worse, they continue doing things the same old way, hoping they'll get a different result. As a result, their business

fails to provide the returns they 'planned' for. This isn't about effort or commitment, as most business people have that – it's about understanding and applying effective and proven strategies.

No one expects you to be an expert in accounting or finance just because you run a business, and the same applies to expertise in marketing. If you want to build a business that gives you the freedom to choose the way you live, you must have access to the best information.

How *Prozone* can help

Over the years, we've worked with such a wide variety of businesses that we've been able to identify common mistakes that limit a business from growing. These mistakes could be costing your business thousands of dollars in lost potential each month. So let's look at ways to avoid these mistakes, and grow your sales and profit.

Mistake 1: Marketing to everyone

You can't be all things to all people. You have no hope of marketing your product or service to everyone, even if you think they all need it. Many businesses spread their marketing so wide that they barely make an impact.

By focusing on one or more target markets or niches, you can connect with people at a higher level and speak directly to them in terms that they understand and relate to. This makes them sit up and take notice of your business and offer.

That's the power of target marketing.

Mistake 2: Failing to have a USP

A USP (unique selling proposition) is the one thing that differentiates your business from your competitors in the minds of your prospects and customers.

Your USP is found in your business – you just need to articulate it in a way that makes you stand out. How can you expect prospects to choose you over any of your competitors if they can't quickly and easily see or understand what it is that makes you unique?

If you're perceived the marketplace to be just the same as your competition, the only criterion by which to judge you is price. Price is not a USP because competitors can match your pricing, and price wars are the quickest way to go bankrupt.

As soon as you create your USP you lift your business out of the price race and into the realm of loyal customers who identify with exactly what you've got.

Mistake 3: Not converting features into benefits

Customers buy benefits, not features. Most businesspeople know this, but when

it comes to advertising and promotion they persist in selling features.

Working out the features of your product or service is easy, but does take some thought. Divide a page by drawing a line down the middle and write all your product's features on the left, and the corresponding benefit on the right.

Still having trouble? Then try the 'which means that' connector. *Detergent X now has enzyme power for whiter whites* (feature) which means that *your shirts look better and last longer* (benefit).

This simple process of defining benefits adds clarity to the process of writing effective ads, and helps you understand who your target market is and what they are really buying.

Mistake 4: Limiting your marketing to just 1 or 2 activities

Many business owners complain about the lack of buzz generated by their marketing, but on closer examination we often find that they have run just one or two ads, sometimes even in the wrong publications.

Think of the potential if you are using five or 10 different business building strategies in a focused and coordinated approach. The more business building tools you use, the more money you will generate. So instead of one or two activities, try some or all of these:

1. Focus on your existing customers
2. Promote your USP
3. Produce ads that sell (most don't)

4. Harness the power of referrals
5. Use host beneficiary relationships
6. Make the most of loyalty marketing
7. Work the back end – sell more to your existing customers
8. Do what the best companies do
9. Instigate a local area marketing program
10. Know your target market and promote directly to them
11. Brand your business
12. Ensure your corporate attire sends the right message
13. Exceed customers' expectations
14. Try promotions and joint ventures

These are just some out of the hundreds of options available. Very few business owners would be doing even one of them.

Mistake 5: Using institutional advertising

Institutional advertising is more focused on the company (brand) rather than what they have to offer (benefits).

This type of communication has the company name on the top, very little copy, a list of features, no benefits, no offer and no incentive to call. Pick up the Yellow Pages or check the trade guide in any local paper and you'll see institutional ads everywhere, making it almost impossible for the reader to spot the difference between competing companies.

The antidote to institutional advertising is direct response ads. These have powerful headlines, copy written in a personal style promoting benefits, a compelling offer, a reason to call now, a testimonial and free bonuses. This simple style of marketing

will increase your response rates and make your ad stand out.

Mistake 6: Not giving reasons why

Just saying your product is superior or your service is better is not good enough to convince your prospects. You must give reasons why.

For example, 'Best service at the best price' is a positioning statement used by many businesses. On its own, it's meaningless – because without a reason it just reads as hype. And with so many businesses saying the same thing, how *can* it be true?

If you give reasons why your product or service is the best and build this as part of your total offer, your claim becomes a powerful marketing tool.

Mistake 7: Failing to use testimonials

A new customer or prospect may have read all of your advertising materials and spoken to your staff, but how do they know you can achieve the results you promise?

This is important because the benefit is only gained after your prospect has made the purchase decision and parted with their money. The more important the decision, the harder it is for them to make it.

Your advertising claims may leave them feeling sceptical and unsure. We've all tasted offers that have overpromised and under-delivered. So how do you prove

that you *can* deliver on your promises? The answer is to use testimonials.

Testimonials are endorsements from other customers about your product or service. Forget the advertising hype, these are real people who have bought from your company and are happy to tell others about their great experience. A personal recommendation tends to reduce risk and remove barriers to purchase.

Mistakes 8: Failing to guarantee everything you do

We've already discussed the difficulties you can have when pitching your product or service to someone new. Testimonials are an effective way of removing the barriers, but also offering to guarantee results is the ideal formula for success.

As soon as you introduce a guarantee or risk reversal strategy to your business, your prospects will value your product or service more, as it now comes without risk.

A guarantee is also a fabulous way to push yourself to excel.

Mistake 9: Failing to test your marketing materials and strategies

There are so many ways that you can approach your customers, and so many options for delivering your message. After sweating over your ad, flier or marketing program, how do you know it will work?

In short, you don't know unless you test it. Simple changes to a headline can cause

an ad that flopped to be a fantastic business generator. I have seen improvements of 500% just by changing a few words!

Test it, measure your results, and then do it again.

Mistake 10: Not creating irresistible offers

The hardest task when growing a business is attracting new customers and then hanging onto them. In most businesses, repeat sales allow you to focus on the value of the customer to your business over the entire time that they buy from you.

This is called 'lifetime value' and it's a factor often ignored by small business owners. Your first sale might only be \$50, but if your customer buys once a month and stays with you for five years that's \$3000.

What sort of offer would you make to a prospect who you thought would spend \$3000 today? By considering lifetime value, you can tailor an irresistible offer at the outset that will get customers in and keep them coming back.

In the *Prozone*

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