

SMALL BUSINESS ADVERTISING MADE EASY

An easy to read straight-forward guide
to help you get the most out of
your advertising

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(according to his wife)

▶▶ In a perfect world...

Wouldn't it be great if every small business owner could afford to employ their very own personal advertising expert? After all, most business people rely on advertising in one form or another to keep their customer flow up. But hey! – let's get real, it's often not viable to do this. So what do you do?

You generally do one of two things. You float along doing the best you can, often relying on the advice of advertising sales people or you take steps to learn what you can about advertising for yourself. That's of course, if you have a mind to get the very best out of your advertising.

By reading this handbook, you have chosen to become **Street Smart** about your advertising. **Congratulations!** You've made an extremely wise decision. How wise, will become evident by the end of the book. I promise this, you will be a lot more enthusiastic about your advertising and keen to put what you learn into practice. When you do, it will only be a matter of time before you start seeing results for your efforts. But be warned, the principles in this book are not magic, not even new – they just make good sense and are used by thousands of business people who understand how to get profitable results from their advertising. You too can join this successful and "street smart" group.

Through these pages, you will learn very basic and general principles that continue to work well for business people who practice them. You'll discover how and when to advertise and when not to, what medium to use, how to go about it, and how to advertise using other people's money. You'll get great insights into local newspaper advertising, radio and television advertising – and where to go for help. You'll get sound and practical advice about how to treat those other advertising opportunities that come across your desk on what sometimes seems a daily basis. You'll learn how to effectively manage both **main stream** and what is termed **below the line** advertising. And you'll discover the pitfalls of poorly thought out advertising and the joy of getting your ads right.

Once you read **Small Business Advertising Made Easy**, you'll never look at advertising the same again. Now settle back in a comfortable chair with your favourite drink – relax, concentrate, read and enjoy.

Bob Holland

2015 Updates: *I wrote this handbook several years back and since that time many things have changed on the media and marketing scene, not the least of these the growth of the internet and social media. Despite this, many of the basic principles still apply, as does using good sense, so rather than re-write the entire handbook, I have elected to add what I call 2015 Updates where appropriate throughout the handbook. As with this entire handbook, my purpose is not to cover everything in complete detail but rather to encourage readers by providing more of an overview or framework as a starting point. I trust practice and experience will be the teacher from there.*

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▶▶ A right attitude to advertising

The very first thing to establish in your mind about advertising or in the broader sense marketing, is what your attitude to it should be.

IF, you're one of those people who regard advertising as a waste of money or thinks it doesn't work or reckon there's little need to advertise – then let me tell you something.

You're WRONG! And there's no doubt about it.

If you doubt that, there must be a lot of very silly business people out there. Billions upon billions of dollars are spent every year by companies all over the world advertising their products and services. Good sense says they can't all be wrong.

If however, you had said that millions of dollars are wasted every week on advertising that doesn't work, you'd be **ABSOLUTELY CORRECT!**

So what's the difference?

Know-how, it's as simple as that.

It's for exactly the same basic reason some stamp collectors, coin collectors, property investors, share traders and the like are successful while others are unsuccessful. The successful ones are those who take the time to gain the necessary know-how to be successful. The unsuccessful ones just fumble their way along from one disaster to the next.

A lot of business owners do exactly the same thing with their advertising. They fumble their way along, spend a bit here, a bit there, fall for every other offer put to them whether they need it or not and then wonder why they don't get results.

So, what should your attitude be?

This...advertising is one of the most valuable tools you have to grow your business. It just has to be handled right. With thought, sound planning, a good strategy and a clear objective **EVERY** advertisement you run will become an investment not an expense. My guess is that as much as 70% of small business advertising (i.e. businesses with 1-10 staff) is done without much planning or real thought. Is it any wonder that many small business owners consider advertising a waste of money?

▶▶▶ Advertising is about growing your business

Hands up those who are in business but don't want their business to grow?

It's a silly question isn't it? Of course we all want to grow our businesses. If not we shouldn't be working for ourselves. If we don't continue to grow the income side of our businesses, the ever increasing expenses will soon overtake the income if you get my drift.

Advertising is all about growing your business. For this reason, every dollar you spend on any form of advertising should be spent with getting a return in mind. Note, I said a return, this should not necessarily be interpreted as meaning a direct cash benefit, particularly in the short term. Some forms of marketing are designed to achieve longer term results. I talk more about this when we discuss marketing and the 4 P's.

The main thing I want to do here is to encourage you to adopt a **mindset for growth** in your advertising. That is a mindset that says, I'm not going to advertise unless I have a very good reason to do so and a clear outcome in mind. Without this mindset, you will leave yourself open to make more emotional, irrational or silly marketing decisions than you should.

To explain that a little further, let me tell you of a businessman who sought my advice many years ago. This particular chap did a lot of advertising but claimed he wasn't getting anything out of it. I told him he was spending far too much in all the wrong places and for all the wrong reasons. He said he only spent about \$12,000 a year on advertising. I challenged him on this saying that it seemed to me, based on what I had seen, that he was spending more like double this amount. He strongly disagreed but I was able to convince him to add up what he had spent during the last year. A couple of weeks later he informed me \$29,000!!! And just freaked out. It seems almost unthinkable doesn't it, that any business person could be that far out in what they think they spend on advertising.

The moral of this story is that if this fellow had adopted a mindset for growth, one of two things would have happened – he would have only spent his budgeted \$12,000 and at worst been about \$17,000 better off or he would have spent his \$29,000 more wisely and reaped the benefits of well planned and thought out advertising.

I repeat, your advertising or marketing budget is an **investment**... expect a return when you do it right.

▶▶ How fast you grow is determined by how well you market

If advertising prowess was like golf, they'd give us all a handicap so that everyone basically competes equally. Unfortunately it doesn't work like that, advertising is more like tennis, you can't play A grade until you've earned the right. The way you earn that is through determination, practice, practice, more practice and learning from your experiences along the way.

How well you advertise your business also hinges on your determination and the amount of effort (or practice) you put into getting to A grade level. Like tennis, there's more social advertisers out there than A graders.

If you want to be a genuinely competitive and successful advertiser, you need to put in the effort to learn the techniques, then apply them. Like tennis, you won't get it all right from the start, but with practice, perseverance and with the benefit of experience, you will learn not only what works, but also how to minimize or eliminate the things that don't work.

Of course, how quickly you come up to speed is completely up to you. You can take the "roundtuit" route or you can decide "**today is the last day I will be a social advertiser, I start practicing for A grade first thing tomorrow**". Taking this latter option means that from tomorrow, you'll be adopting a mindset for growth. Good on you!

Time to take stock

How are you going so far? Have you discovered anything new? Or have you heard it all before?

Don't forget, I did say there was nothing new or magical here, just good sense and principles used successfully by thousands of **Street Smart** business owners all over Australia.

Keep reading, it gets much more interesting from here because we now move on from the entrée stage of your Small Business Advertising Made Easy to the main course. This is where you'll discover more of the **meaty bits**.



▶▶ Marketing is often confused with advertising

Mention marketing to someone and if you could read their mind, you'd probably see the little light in their brain headed "advertising" light up. I think it's fair to say most people consider marketing and advertising one in the same. They're not!

Think of it this way... marketing is like a battery-operated clock. The clock is made up of several basic components. There's the clock face, the hands, the movement and the battery. For the clock to function properly, all parts need to be working together. Advertising is the battery. The clock can't function without the battery and the battery energises the whole operation.

Advertising is just one component of marketing

It's the same in business, marketing covers a lot more than just advertising. Your product(s) selection, your pricing, your location, your presentation, your branding, your public image and your staff are just some of the components that come under the marketing umbrella. Your advertising is just another component (a very important one) that comes under the heading of marketing.

Just as the battery is vital for the clock to function well, advertising is vital for a business to function well.

Advertising also takes in many forms.

These include:

- Media advertising**
- Outdoor advertising**
- Sales promotions**
- Public relations**
- Direct marketing**
- Personal selling**
- Sponsorship**
- Packaging**

We'll look at some of these in more detail later in the section What medium to use.

▶▶▶ 4 P's all work together

As mentioned earlier, for a business, a product or a service to succeed, it will take more than good advertising to ensure healthy long term success. The industry refers to the key components that need to be considered in the marketing process as the 4 P's. The 4 P's are –

Product

Price

Place

Promotion

There are many detailed aspects that could be considered under each heading but essentially, for most small business owners, what you need to consider are things like –

Product (or service)

Is there a suitable market for what you offer? In other words, are there enough people who would want or need to buy from you? Sounds pretty basic doesn't it, but many people have opened businesses thinking there was a market for what they offered only to discover there wasn't. It will pay to do some form of research to establish your potential market. There are many things that can affect how consumers respond to products and businesses. Fads, timing, circumstances, events are just some things that can have an influence over people's buying habits.

Timing is an interesting one. I have a friend who saw the potential of video hire way before most people and as a result, started up a store hiring video movies. He was clearly "ahead of his time" but subsequently went broke. Basically what happened was that he paid top dollar for everything he bought only to find that the prices dropped dramatically in a matter of just a few months. Video movies that he had to hire out for \$7 a night to recover his costs were suddenly being hired for \$1 a night as new players came into the market. Videos which he paid over \$100 each for, were now available for less than \$50. As the industry went through this boom period, my friend just couldn't recover his initial investment quickly enough to keep going. He failed because he was "ahead of his time", not because he was a bad businessman.

The lesson here is to make doubly sure that what you plan to offer, or currently do offer your customers is something they clearly will want to buy or access, and will do for some time into the future. Over the years, I've also seen a number of people with a particular hobby or skill that they have tried to turn into a business, thinking others will share their love or interest in it. Sadly, many discovered that some interest is not enough to build a successful business on, so please make sure you have a strong customer base for the product or service you offer.

Price

Will people pay what you ask, for what you offer? Again, a pretty straight-forward question. It's amazing how many business people charge more for their products or service and then expect customers to gladly pay the extra. If you think that way, you won't be in business very long. The bottom line is this – you don't have to be the cheapest, but if you're not, you do need other things going for you if you want people to do business with you time and time again. Don't let anyone kid you that price isn't very important.

Of course, everyone can't be the cheapest and obviously they're not, so why will people pay more for products and services they can buy elsewhere cheaper? There are many reasons, far too many to go into here but let's touch on a few to make the point.

The corner store sells groceries for a lot more than the supermarket over town. People still buy things regularly from such stores and pay the higher prices. Why? One reason is that no one wants to drive across town to buy a packet of sugar – that's why these stores are called convenience stores. No one said they were cheap – but they are convenient! Let's face it, everyone knows the corner store rips us off, or so it seems, that's why we don't buy our weekly groceries there. We simply use these stores for convenience and if you analyse their sales, you'll find they are mainly made up of papers, drinks, milk, bread, confectionery items, cold meats and the odd emergency item such as a globe or tub of margarine you just ran out of. The thing that offsets the price here is primarily the convenience.

The independent local clothing store sells virtually the same type of clothing that can be purchased from the national chains, and it's often more expensive. Why do we still go to these small independent stores for our clothes then? It could be any number of reasons – you like the people, you like the more personalized service, you want to support the local or little guy (or girl), you just enjoy shopping there and so on. Whatever the reason, customers obviously believe that although they may be paying more, other benefits still make it value to shop there. The thing that offsets the price here is primarily the more personal service.

The tiler who charges way above others yet still doesn't have enough hours in the day to keep up with the demand for his services. Why? This man has built up such a good reputation for quality work that people will wait and pay more just to have him do the job. The thing that offsets the price here is primarily the quality of the work or service.

Yes, the lowest price isn't everything, but it will be much harder for you if you do not at least appear to be competitive or offer other benefits that make up the difference.

Place

This simply refers to the ease in which customers can access your product or service. You need to make it as easy as possible for potential customers to find you, be able to buy what you sell, or have a means in place for what you sell to be delivered efficiently.

Issues to be carefully considered are location or position of your business, hours or business, availability of product (do you keep stock of take orders?) and so on. If you're a service, how do people contact you or find you? If you operate a web based mail order business, how do people hear about you, find your site, get a clear understanding of the products you sell and if it's easy to order or buy?

Promotion

Promotion is the all encompassing name for everything that advertises, publicizes and promotes your business, product or service. Most people would simply call this advertising and provided they include all the various forms listed earlier, they'd be right.

The remainder of this handbook will now focus on this important one of the 4 P's and help you unravel many of the mysteries of advertising that may have bugged you up until this time.



By way of motivation, can I suggest at this point, that you think of yourself like a gun ready to be loaded. By the end of the handbook, you'll be not just loaded, but loaded with the right ammo – the very ammo you'll need to kick the line on the graph of your business growth in a much more upward direction. The ammo I'm referring to is of course Know How and it's just a handful of pages away.



IS YOUR PRODUCT GOOD ENOUGH TO GIVE AWAY?

It may not be as silly as it sounds.
See page 31.

▶▶ Advertising is an Investment – Get rich slow!

If you think that by spending a lot of money on advertising, you will be an instant success, think again!

It's a bit like winning the lottery, it does happen but usually to someone else. Most people who get rich, get rich slowly. That is, they spend less than they earn over a long period of time. That may not sound too clever, but believe me when I say that it only takes a small amount of money saved each week over several years to accumulate into a "truckload" as one of the lotto ads says.

If you want your advertising to pay big dividends, you need to see it as an investment, treat it and manage it as such and plan to do it over a period of time. And just like investment money grows faster from the compounding effect, so will your advertising success. To help you see the potential, take a look at the rate your business has been growing, estimate where you think you will be in one year's time taking your present course, and then consider what a 20% increase in turnover might do. In my experience, an increase in turnover happens pretty quickly once marketing know how is applied.



▶▶ Advertising above or below the line

There are literally hundreds and possibly thousands of different ways to advertise.

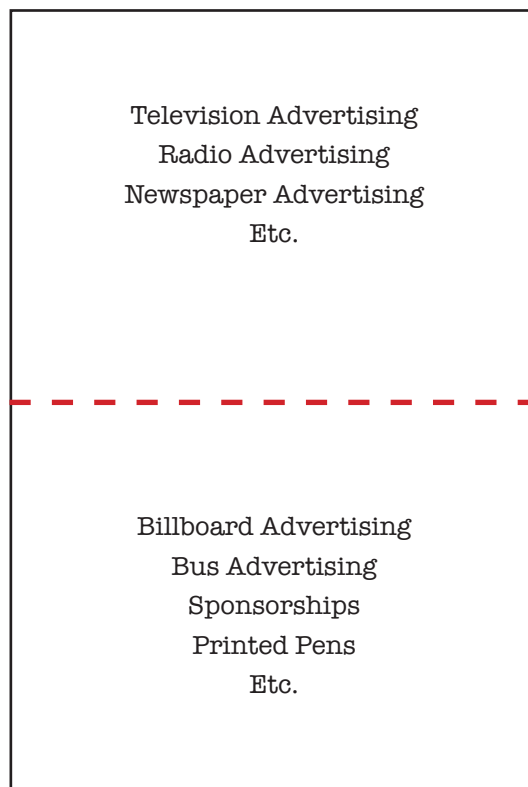
Interestingly, it's been my experience that all of them sound good when first presented. This should be no surprise of course, as who could possibly sell anything that didn't at least sound good.

The problem facing business owners therefore, is how to deal with all these options objectively?

Perhaps big business can give us a clue here. BIG business classifies the many options in one of two ways, either what is termed **above the line** or **below the line** advertising.

In simple terms, they list all the options in an order of priority. The "must do's" at the top running all the way down to the "only if we have money to burn" options at the bottom. The "must do's" would include mainstream media such as television, radio, major newspaper and high profile magazine advertising while further down the list may be advertising on billboards or buses and sponsorships while further down again may be printed pens or T shirts or what is deemed to be very minor advertising in the scheme of things. The "line" referred to is drawn somewhere down the list and indicates that everything above the line **MUST** be considered and used **BEFORE** venturing into those areas listed below the line. Clearly, this is simply a way of putting first things first and prioritizing accordingly.

So the lesson here is simple isn't it? When you are choosing which medium to use, make sure that the essential or mainstream options for your business are well and truly covered before you go off on any tangents. Use too many below the line options and you run the risk of milking your advertising budget of money that could be used to far greater advantage.



Typical advertising planner

▶▶ Advertise with a clear purpose or objective

One of the prime reasons advertising conjures up negative thoughts among many business owners is that too many expect miracle results.

Many consider that if they spend \$500 on advertising, they should automatically be guaranteed about \$5000 worth of business. If they don't, they say advertising doesn't work. This type of attitude is totally wrong and shows a good deal of business immaturity. It's another form of the "get rich quick mentality". Generally speaking, it just doesn't happen.

As mentioned previously, the better approach by far, to both building wealth and building a business, is the **get rich slow** approach. This approach may not be as spectacular but as surely as night follows day, gathering or building little by little will make things grow.

A good strategic advertising plan, or in the broader sense, marketing plan, should be one of the top priorities for all businesses. Few businesses, if any at all, will reach their full potential without one.

Now, pay particular attention to what I'm about to say.

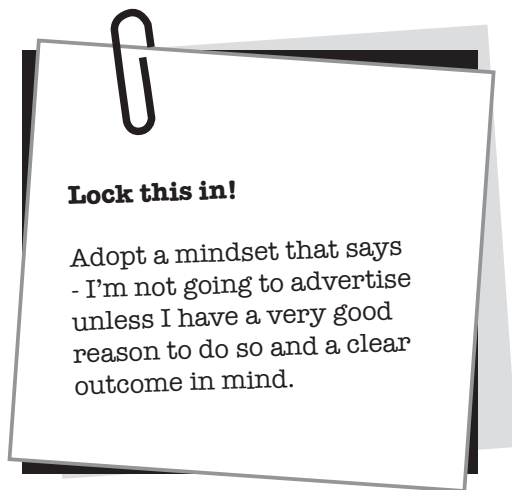
Always advertise with a clear purpose or objective in mind.

This too doesn't sound spectacular does it? But let me assure you, I see literally thousands of ads in one form or another that have clearly had little or no thought or planning go into them. The only real beneficiary with such advertising is the person or organization selling the ad.

If you really want your advertising to work for you, make the decision today to only advertise when you have a clear purpose or objective in mind. Put simply, you need to fully understand and appreciate what you're doing and why you're doing it in the first place.

Having said that, a good marketing plan still needs to be tailored to suit each individual business, so here's a few general principles to take on board. By following these, you WILL get **improved results**.

- 1. NEVER** advertise without a clear objective in mind. This objective could be serious advertising or may simply be to show your support for a particular project or organization, such as an ad in a school magazine or newspaper feature about one of your customers. That's fine as long as you appreciate that this is the reason you're placing the ad and then set your expectations accordingly.
- 2. NEVER** advertise unless you are confident that your ad will bring in at least one new customer. Even one new customer is like a seed – beanstalks can grow from them.
- 3. ALWAYS** advertise based on the outcome you need, not on your budget. If you reason it will take a spend of \$1000 to get the outcome you need, then expecting to get the job done for \$500 is wishful thinking.
- 4. BEFORE** committing to any advertising, ask yourself if the same money could get a better outcome if spent in another way. E.g. Would a letterbox drop achieve more than a radio campaign or would a radio campaign achieve a better result than a letterbox drop? And so on.



►► Identify your target audience and how to reach them

Targeting the right audience with your advertising is very important but not always easy to do, especially if you are a small operator who needs to target a specific market group. The main reason is cost. The more specific the target, the greater the cost to “reach” the target.

Let me illustrate.

Once I was approached by a fellow who ran joy flights in a Mig jet. Not your average joy flight but to make things even more difficult, he operated from a small airfield out in the back blocks of Western New South Wales. And to make things even more difficult, the cost of a 20-25 minute flight was \$2000. I’m sure you can appreciate how difficult it would be to locate the few people who – one, would want this thrill of a lifetime experience and two, be prepared to pay for it. In fact, possible candidates could be anywhere in Australia. Here was a situation where placing a few well worded newspaper advertisements or running radio or television ads all over the Country was NOT an option.

This fellow had to work doubly hard to develop a profile of his target group and then look at creative ways to reach them with his message. Even then, sheer experience would probably have the last word on what worked and what didn’t.

Despite the obstacles, there are still ways to hone in on specific groups of people like this and as I have said earlier, it just requires time and effort to think through the issues and opportunities and then to develop a strategy. If you have a business that requires special know-how to target a specific or small target group, and you can afford it, I suggest you seek professional help. Unfortunately, there is no **one size fits all** rule in cases like this. A competent marketing consultant will soon put you on the right track.

Fortunately though, most of us don’t have a narrow target group so targeting is much easier. Also, most small operators don’t have the resources to enable them to be too precise with their targeting. Most have little choice other than to use the scattergun approach which in most cases is not such a bad thing. Provided you tailor your ad(s) to the people you’re after and follow the other important principles mentioned throughout this handbook, you’ll still get good results.

I've had many discussions with business people about targeting and quite frankly, because many can't satisfy their need to target efficiently, they often do nothing. In most cases, this is the worse thing they can do. To my mind, they have simply bogged themselves in **the paralysis of analysis** and that's no help at all.

The best advice I can give you is this – ask yourself “what papers or magazines do I believe my customers read” or “which radio station do they listen to” or “what type of television programs do they watch” and start from there. The main thing is not to advertise in papers simply because YOU read them or on radio stations simply because

YOU listen to them and so on. It's your potential customers who need to hear your ads not YOU. Even if you never see your ads, it doesn't matter as long as your customers do. Sounds silly really, but all too often I hear someone complain that they have never seen or heard one of their ads. It gets even sillier when they say that **the ads are working well!!**

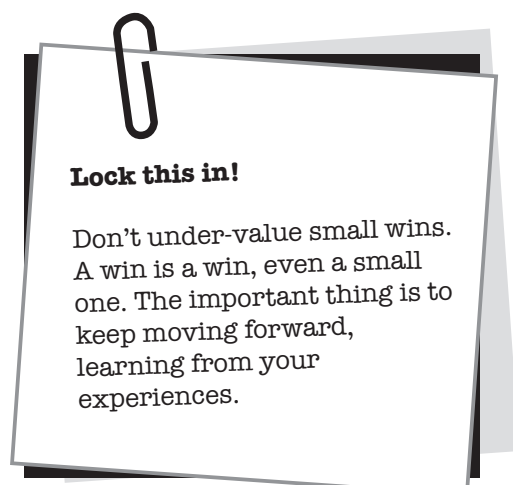
Of course, there are many different ways to reach potential customers other than the main streams of press, radio and television. We'll discuss some of these in more detail in the upcoming section “What medium to use”.



▶▶ Determine a realistic outcome

A principle of marketing as well as a principle of life is that as human beings we often feel disappointed or let down when our expectations are not met. The best example of this I've heard is the marathon runner who busted his gut to lead the race until the last kilometre only to stumble and twist an ankle. It's easy to understand the extreme disappointment he must have felt at that point, but it's also a greater pity that his fantastic effort over the first 35 kilometres was forgotten or overlooked.

Many business people tend to look at their marketing efforts in a similar light. By their nature, they set their expectations too high and when they don't reach them they feel they've failed. At this point, let me take you back to a couple of things I said earlier. I said you need to adopt a **mindset for growth**. I also said **NEVER** advertise unless you are confident that your ad will bring in at least one new customer. These are hardly high expectations.



The lesson here is therefore simple and straightforward – always set your expectations with a realistic outcome in mind, the lower the better. A win is a win, even a small one and as long as you're going forward – keep at it. Remember, **Get rich slow** is the best way to go.

It's an attitude like this that will help keep you motivated and focused and while ever you're motivated and focused, you'll keep going forward. I'm sure I don't have to explain what a difference motivation makes to people's performance, be it business, sport, study or whatever.

▶▶ Do things in an orderly manner

It's worth pausing at this point to mention another obvious, yet often overlooked failing by many business owners. That is, trying to do too many things at the same time. This is one sure way to mess up a good marketing strategy. Call it impatience, call it enthusiasm or call it something else, but advertising in an orderly and deliberate manner is paramount.

Don't try to educate everyone about every product or service you provide at the one time. It simply can't be done and may actually result in the marketplace taking much longer to come to grips with what you actually do or at least what your core business is.

One of my clients commenced many years back as a screen-printing and promotional product type business. Over the years, they have expanded the business to now include selling workwear, sports wear, sporting team uniforms, school wear, trophies, engraving, rubber stamps and all types of embroidery. Although there are some crossovers, most of these product lines need to be targeted to specific market groups.

The tendency for a business like this is to try and mention everything they do in each ad. That's alright to a point but it will do little when you want to hone in on the right audience with the right message. By putting too much into an ad, it becomes more like a business card which although it has its place, is unlikely to help seriously develop any particular area of the business.

My advice would be to tailor specific ads or marketing efforts to a specific market group with a specific message for that group.

For example, the business above, when it introduced a new range of workwear, produced a full colour brochure which featured their drill workwear and mailed it to every tradesman in the area. Introductory specials were also included and because the workwear supplier also had plenty to gain and was impressed with the overall strategy, they also contributed to the cost of the exercise. The main thing to note here is that the strategy was very specific in its aim – to introduce the new work wear range while encouraging potential users to buy the product. This approach also allows you to use the most appropriate media for the particular job. In this particular case direct mail was used.

I'm sure you're getting the message. Market one area of your business at a time to the right target audience, do it well and you'll keep your costs down and your sales figures will surely grow.



▶▶ Don't under-estimate the value of branding

If I said tell me the first name that comes to mind when I say "hamburgers" or "running shoes" or "an airline", chances are most people would answer **McDonalds**, **Nike** and **Qantas** as their top answers.

Of course, you don't have to be an Einstein to realize that these likely answers are the result of consumers being brain-washed with these brands over many, many years.

In fairness, brain-washed is not really the right word. What has really happened is that these brand names have been marketed in such a way that they have become part of lives. It's called **branding**.

A full explanation of how this has taken place is not necessary here, but essentially what has happened is that the marketers of these brands have **branded** them so well that today, when most people want a hamburger, the first name to come to mind is McDonalds – when we want a pair of joggers, most think Nike and so on. Of course these are only examples, there are hundreds and hundreds of well known brand names that come to our mind when we are confronted with a buying decision.

The principle to take from this is that your marketing too should work towards making your business or product the obvious choice, or at least one of the top choices for potential customers. I sense some reading this are saying "**get real**" or "**as if**" about now. That's fair enough, and of course I realize it takes millions of dollars to brand businesses and products like Maccas. But it's the principle that's important here and that's what I want you to take on board.

Done right, you can at the very least, position your business higher up in the minds of customers. In other words, if you're one of ten choices for a customer to buy the product you sell, your goal should be to **brand** yourself so that as each day goes by you move up this list of options.

Let me use an example to explain –

Another of my clients was a seed and grain buyer. In the area they serviced, there were about eight other seed and grain dealers, all offering similar services. When I first spoke to my client, they estimated that they would be about 7th in line when it came to the choice made by farmers, and this despite them being in business for almost 20 years.

Our task was clear – to elevate them up the list into about the 3rd or 4th choice position. To achieve this we developed a strategy over 12 months which included strategic radio and television campaigns, the introduction of a quarterly client newsletter, a strengthening of their logo and slogan and a consistency of style and format in all marketing initiatives.

Substantial financial support for the initial marketing push was also obtained from suppliers

The impact was almost immediate with plenty of favourable comments filtering back through the business. The staff also displayed renewed enthusiasm and pride in their work and customer feedback was remarkable.

The real test came with the arrival of harvest time. Unfortunately, at the eleventh hour, severe storms virtually wiped out the entire harvest killing off any chance of significant gains on previous years.

The market effort continued throughout the following year, which culminated in one of the best harvests in the area for many years. My client's efforts had paid off handsomely and it has been obvious ever since that they have clearly moved into 3rd or 4th place and remain there today.

If you're wondering why not the Number 1 or 2 slots, Graincorp and the Wheat Board headed the list at the time and it was unlikely that any small independent would overtake them.

So how does branding play a part?

First, let me say that **branding** is all to do with creating the image you want people to have of your business. McDonalds want people to think that when it comes to hamburgers, there's only one place to go – the Golden Arches. My client on the other hand didn't really have any established (or at least, worthwhile) image, one that at least stuck in the minds of customers.

Like so many businesses, my client had a corporate logo, they had a slogan "The Good Name in Grain", the staff wore uniforms, the premises and vehicles were signwritten and so on.

Problem was, there was no consistency in the way it was all presented.

Big business calls this "**Corporate Style**" which is usually set out in a formal document as a set of guidelines or rules. It directs how any and all material that represents the business should appear. A Corporate Style Guide would clearly state how letterheads, business cards and all other business stationery must look. It would show how newspaper ads must be laid out, what fonts are to be used on letters and in ads, how any logos must appear and so on. EVERYTHING must be consistent with the Corporate Style Guide. The way cars are signwritten, buildings are signwritten and the colour schemes in offices are all determined with the **branding** in mind as are staff uniforms. Carry bags, product packaging are also consistent with company branding and even the way the phone is answered is usually part of the branding.

Although some big companies occasionally change their corporate style or image, it is rare as such a change would require a whole new marketing push to establish the new "brand" or image and as mentioned some brands have been developed over many decades.

In the case of my client, we simply tightened up what was already in place, used the existing logo and slogan more prominently and generally introduced a consistency in everything we did.

Of course, maintaining the branding was just one of several initiatives we introduced but it was the thing that tied it all together. My clients logo is now well entrenched and highly recognizable in the area they serve. But more than that, their bottom line reflects the value of good branding.

One final word on branding – when considering your branding, look for symbols, words, phrases, a jingle or things that will cause people to think of you when they see them. When you see a road sign with just a golden "M" displayed above "22K", you don't need to know much more. If you put your mind to it, you too will come up

with something good. And don't be afraid to think outside the square. I gave an employment agency the word "Thanks" as part of their marketing. Job placements more than doubled during the following year and the campaign won them a leading Marketing Award. If you're scratching your head about that one, ask yourself "What's 'Yes' got to do with Optus phones?".



Lock this in!

Your marketing should work towards making your business or product the obvious choice, or at least one of the top choices for potential customers.



▶▶ When you're on a good thing – Stick to it!

There's nothing more satisfying than seeing an ad or an ad campaign get a great result. It doesn't happen too often in isolation but when it does, take particular note as whatever you did is probably worth bottling. If it worked once, it will very likely work again given similar circumstances.

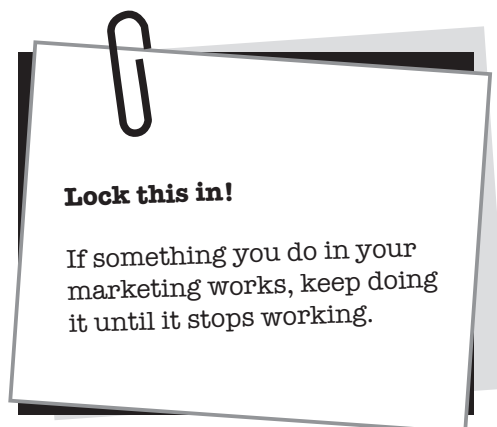
As I've said so often already this too would appear to be stating the obvious but you'd be surprised how many business owners continually try to come up with new ideas for their advertising when in many cases simply recycling previous successful ones is the go.

The principle to follow here is "if it works, keep doing it until it stops working".

If you have a radio or television ad that people clearly respond to, DON'T change it or stop using it until they stop responding to it. I have often seen a business owner change a very successful ad simply because they got sick of hearing or seeing it and assumed everyone else did too. It's a proven fact that you will get sick of your ads long before everyone else. While ever it does the job, keep it going.

Of course, I'm not saying that you should only rely on one ad to keep things moving. What I am saying, is that if you have a good image ad about your business, it's worth running a campaign with it from time to time. If you used a particular theme or offer for a sale that worked well, repeat it again at an appropriate time. If you ran a mail order ad that attracted above average responses, chances are the wording, the layout or something else in the ad hit a nerve with readers. Sometimes we don't know for sure why some things work better than others. Whatever the reason, if it worked, use it again... and again... and again... until it stops working. As mentioned, ads like this don't come along very often.

Incidentally, apply the same principle to a logo, a slogan, a jingle, a uniform or anything that has a positive impact on your overall **branding**.



▶▶ When to advertise?

Business owners are generally divided in their responses to questions on When to advertise?

Some say “you should only advertise when it’s quiet” while others say “you should only advertise when it’s busy”, while others will say “I advertise all the time because I’m scared of what might happen if I stop!” and so on.

Truth is, there’s no one size fits all when it comes to when to advertise. It’s simply a case of looking at your business, taking into consideration things like seasons, relevant occasions such as Mother’s Day, stock turnaround etc. and planning your advertising accordingly. I would strongly suggest you set your base plan for twelve months and do it at an appropriate time each year.

Past experience will have taught you when to expect peaks and lows, as well as other trends. Your experience should also provide you with insights into areas or openings where greater opportunities lie.

You should also allow in your plan or budget, some flexibility to be able to take up any opportunities or respond to unforeseen market changes should they occur.

So grab a calendar and pencil in your **“must do”** advertising first – maybe in RED. Next pencil in your “could do” advertising – maybe in black. Don’t forget to also diarise when to start the process for each campaign. You need to give yourself time to plan and organize each campaign well to avoid “rushing things” at the last minute. Advertising is a serious and expensive business but it does have the potential to reap great rewards. For these reasons, it deserves appropriate diligence on your part in getting it all together.

But whatever you do, guard against this.

Sadly, many business owners appear to advertise using the ‘make it up as we go’ method.

Put bluntly, using this method is stupid in the extreme as it is flawed on all fronts. It lends itself to decisions being made in weak moments, on whims or emotions or out of panic or desperation. In such cases, little planning or thought is given to such efforts and the outcomes rarely justify the investment.

A typical example of this is when a business runs into a severe downturn in sales which puts pressure on cash flow. The first thing many business owners do is bung on a sale to try and ease the pressure. There’s certainly nothing wrong with that, but experience shows me that in many cases, such sales are conceived in a state of panic, a lot of money is spent on advertising them and often the discounts offered are way beyond what is necessary or responsible. There are better ways to achieve the outcome needed, it just takes a little sensible planning and thought to think through the issues. By not panicking, this will also allow you to consider the bigger picture at the same time.



ANYTIME is a great time to advertise?

The important thing is to determine where an opportunity exists and then advertise according to the circumstances.

There’s ALWAYS an opportunity out there somewhere.

▶▶ What medium to use

There are literally hundreds, if not thousands of different ways and means of sending out advertising messages. Everything from a name on a pen to a worldwide internet site. Each has their value but for most small business owners, limited resources usually determine the extent to which they can advertise and still remain profitable.

For this exercise however, I'll just touch on several of the more obvious ones used by most small operators. My purpose here is not to try and explain everything involved, that would take an eternity, but rather to establish thought processes that will help you make good choices.

I've already talked about **above the line** and **below the line** advertising in an earlier section. You will recall that essentially **above the line** is more the must do advertising such as radio, newspaper or television whereas **below the line** is more in the "only if I can afford it" area such as printed pens, promotional products, minor sponsorships etc.

2015 Update: Since I first wrote this handbook, the world has changed considerably and today, above the line advertising for many businesses would also include using the internet and social media. I must confess that I'm at the mature end of my working life so my experience with website marketing and social media marketing is limited. I can however, offer some observations, based on my experience, in relation to their benefits and application for small businesses. If however you're planning to get really serious with these mediums, you would do well to seek expert help. I trust my observations will prove somewhat helpful, if not conclusive.

So let's consider some of the pros and cons of various mediums –

Television advertising

Television is considered the most expensive medium by most business owners and as such is often not given any serious thought. Despite this, it is still very affordable and can represent excellent value for the right campaign. Television lends itself very well to products or situations where seeing the product in all its glory will help arouse interest from the viewer. For example – if you sell kitchens, television images would enhance them far better than a black and white newspaper ad.

If you have a business or product(s) that needs to be seen by potential customers for them to fully appreciate, then you would be foolish not to consider television as part of your advertising. If however, seeing you, your product or what you do is not so crucial, don't show these on television but still think about other ways of using the power of television to achieve your goals. I did an ad for a car dealer once that showed a collection of race car smashes. The audio simply said "Our business is selling great cars... what you do with them is your business!" It was a huge winner and received much comment.

As far as cost goes, networks set their advertising rates according to the number of viewers certain programs or session times attract. Night time rates are therefore much higher than daytime rates. Despite this, don't underestimate the value of daytime television, especially weekends. Depending on your target audience, daytime advertising as part of your overall mix or even exclusively could prove very beneficial. Television sales reps can help you with details about viewing habits etc. as well as various packages they can offer tailored to your business needs.

Some will disagree with me, but I believe EVERY business should include some television advertising in their marketing. It is still a very powerful yet affordable medium, especially for helping with branding. You would be unwise to dismiss it too lightly or without getting all the relevant information.

It also should be noted that research shows that people recall about **80%** of what they see.

2015 Update: *Since first writing this handbook, the number of television stations in any given area has blown out by as much as tenfold, many programs and movies are now accessed via the internet, recorded or purchased for home based collections etc. Although there is no doubt that many people still watch television, it is no longer as easy for a small business owner to judge the value or audience levels when placing television advertising. My advice today would be, if you're considering television advertising, place your ads in the main news bulletins. You will pay more for the privilege but with all the variables affecting viewing habits in these modern times, I feel the safe and sure road is the wise road to take. I don't think there is much doubt that the main daily news bulletins on any network still maintain very high audience levels and it should be remembered that when you buy any media ad, be it newspaper, radio or television, what you're actually paying for is the "audience".*



A good television ad will always include - good script, a good voice, good read, good pictures.

Try to ensure your ad has a strong message that will leave viewers in no doubt about 'something'.

Radio advertising

Radio advertising is also a very powerful medium when used correctly. Repetition is vital in any good radio campaign, so for this reason you should factor in a strong element of repetitiveness. For short campaigns, make sure you have several ads per day, for image building campaigns I recommend running regular ads over a long period. To explain this further – if for example you are having a 3 day sale, to get the impact you need, I'd suggest at least six ads a day as a rule of thumb. If on the other hand you just want to keep your name in front of the audience on an ongoing basis, I'd suggest at least one or two ads a week for many months, possibly at the same time each week.

One of my clients runs an ad each Tuesday and Thursday morning each week at about 7.45am. Another local business has been running the same jingle two or three times a week at around 7.30am for years. Others run ads every day at exactly the same time, others do what is called a "2 minute phone in" at the same time each week. This is where the business representative talks "live" on air to the announcer about various aspects of the business.

All these businesses have strong profiles as a result of the repetitiveness of their radio advertising.

Like television, rates for radio vary according to audience numbers. Rates for breakfast and morning sessions are more expensive than afternoon and evening sessions but most stations also offer special packages which include a mix of two or more sessions.

The same research that showed people recall 80% of what they see, also shows that people recall **20%** of what they hear, hence the need for repetition.

2015 Update: Like television stations, there is now a myriad of radio stations available to choose from in most areas. Some can be described as high profile radio stations while others have far lesser profiles and are often more to cater for hobby or special interest groups. At the bottom end, an audience can be very small. Many listeners now use the internet to bypass their local stations and listen to other stations around Australia and across the world. Again, the trick is to choose a station that you believe or know has an audience that suits your business, then be satisfied that the cost of the ads to reach that audience represents value for money. Don't be put off by the myriad of choices otherwise you may not do anything. To keep your business growing, you must advertise and sometimes that may mean having to work with what you have.



A good radio ad will always include - a good script, a good voice and a good read.

Try to ensure you have an attention getting start, repeat important points like your name, leave listeners with a clear message and don't use phone numbers.

Newspaper Advertising

Newspaper advertising is considered by many to be expensive and not as effective as it once was. I don't share that view but do however, agree that results from newspaper advertising could be better. I think it's more a case of business owners not using the paper as it ought to be used.

Once upon a time, everyone took great pride and delight in reading the daily newspaper. Those were also the days when there was one radio station to listen to and one commercial television station to capture our interest. Times have changed. Today there's all manner of things vying for our attention. Today, advertisers have to be far more creative and work much harder to capture the reader, listener or viewer's attention. What we did once is no longer anywhere near as effective.

In the case of newspaper advertising, ads need to be bigger and more attention grabbing than in times gone past. The content needs to be relevant and the message strong. In the 60's and 70's a 10% OFF Sale would often cause a riot, today 50% OFF doesn't stir up anywhere near the same level of interest.

Newspaper ads are also excellent where a lot of information is needed to be conveyed to potential customers. Despite what some will tell you about keeping it brief and simple, some newspaper ads work better using **the more you tell the more you sell theory**. The thing to remember is this – if the subject matter interests the reader they'll read the whole story – if it doesn't, a few words or a lot aren't going to make much difference. For example – if you suffer from arthritis and there's an ad about a cure, you'll very likely read anything and everything the ad has to say. If you don't have an arthritis problem, you won't read past the heading.

To get some clues as to how to prepare a newspaper or press ad with 'long copy', take time to read some of the mail order ads put out by the big companies. The ones with seemingly endless amounts of copy. If they are done according to the experts, the heading will get the readers attention with a "big fat claim". Next, the very first paragraph will spell out what would appear to be a most outstanding benefit for buying the product. Each following paragraph will also add a further benefit to the growing list of reasons for buying the product. Each benefit is presented in an order of merit. That is, the more important benefits are included early and the less important benefits flow on from there.

Then there is always a money back guarantee, which is crucial in any mail order selling.

Usually, there is a "**but there's more**" addition. The most common being something like "for just \$1 more we'll include..." or it's a radio or television version "be one of the first 50 callers and we'll include..."

Then finally, there is a deliberate **call to action**. That is, the ad clearly gives the reader instructions as to what to do next. This call to action is often repeated. It could be **ring now**, or **fill out and post the coupon today**.

The main components are always a heading offering outstanding benefits of a solution to a problem, an opportunity, a measure of urgency, a bonus offer and at a price that would appear to be good or great value.

Think about these components when next considering a newspaper ad that has lots to say.

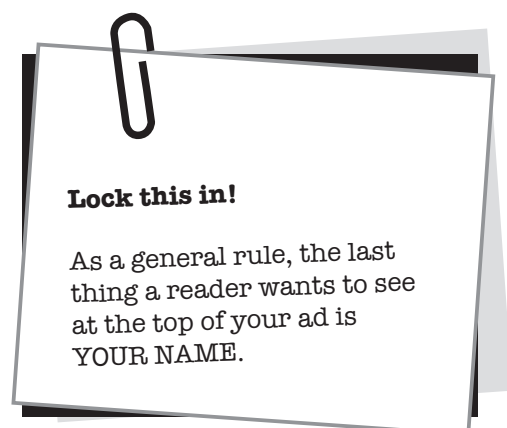
Of course not all newspaper ads need to be full of information. One look at any Sunday capital city newspaper will show how the multi national companies use press advertising. Often a strong graphic, a catchy heading, an offer or benefit and their logo is about the sum total of the ad. Ads like this are often as much about "branding" as anything else. Unfortunately, small business operators generally don't have the resources for such elaborate ads.

It's more a matter of horses for courses. Do what is appropriate using the resources you have. At this point it's probably worth mentioning not to miss the Co-operative Advertising section of this handbook. There you'll learn how to use other peoples money when advertising.

One thing NOT to do...

If there's one thing a reader doesn't want to see at the top of an ad is your name in big letters. It may give you your jollies but please appreciate that the majority of readers will respond far more favourably to a heading that clearly tells them WIIFM – What's in it for me.

One final check you can do before signing off on your ad is view it candidly, read it carefully and then ask yourself "is this something that would move me to notice the ad or better still act, given I was the reader?"



If you can't be reasonably positive that it will, you need to re-assess your strategy or the way you have presented your ad or any offer. Keep in mind that often a word, a phrase or an image can make all the difference.

2015 Update: *Again, since first writing this handbook, the newspaper scene has changed dramatically. If you listen to the reports, you'll be aware that newspaper sales right across the world are dropping at an alarming rate, newspaper advertising is on the decline and more people are turning to the internet for their news. All of that is true but what is not being said is that the effectiveness of good newspaper advertising has not changed. If*



results from newspaper advertising are down, it's because less people are buying and reading them. If half as many people are reading a particular newspaper today compared to 5 years ago, good sense says any results will in all likelihood be halved accordingly. If for instance, the cost of the advertising has also halved, it could be argued "so what's the problem?". With more television stations, obviously stations that had massive audiences in the past would also be losing viewers to other stations. The same could be said about radio and so on. The world is changing but the basic principle of advertising hasn't. When you buy an ad, be it newspaper, radio or television, you're buying an audience - the only question should be "is the cost to buy that audience reasonable for me to pay?" If you're still paying the same amount of money for a newspaper, radio or television ad that you did when the audience was up to double as many, I'd be having a quiet word with your media rep. Trust me, you can still have faith in newspaper advertising provided your ad has been well thought out with a definite outcome in mind.

Yellow Pages

Advertising in the Yellow Pages is **very** expensive. How and to what extent you use them therefore, requires serious thought. For some businesses, a listing is all that is required, for others the benefits of having a good sized display ad can be very worthwhile.

My advice to anyone considering the Yellow Pages is to give thought as to the process potential customers might follow when using them. By thinking this through, it will give you an insight into what is most appropriate to get the job done.

A couple of examples might help explain –

I mentioned earlier a client of mine who is a seed and grain dealer. For years, they had run a rather expensive ad in the Yellow Pages. I asked why they felt they needed an ad of that size and with colour. My reason for asking was that I was of the opinion that farmers would not simply pick a name out of the phone book when buying or selling grain. I reasoned that local farmers would be well aware of the local seed and grain dealers and the only reason they would refer to the Yellow Pages at all would be to get the phone number. My client agreed, so from then on we placed just a small listing with all the relevant information, thus saving over \$1200 a year. Since then the business has continued to grow rapidly despite the smaller Yellow Pages listing.



On the other hand, a business such as an appliance repair business would do well to use the Yellow Pages more elaborately. Customers looking for fridge or washing machine repairers would very likely look up the Yellow Pages to check out their options. The customer will in all probability be drawn to the best or biggest ad or at least the repairer who lists that they service the brand of machine the customer has.

So, before committing to any particular style or size of Yellow Pages ad, try and put yourself in the shoes of a potential customer and think through the processes they might go through to solve their problem or meet their need.

One final piece of advice.

Give plenty of thought as to the category or categories you should list yourself under. Make sure you're where people will easily find you. You don't need to place an expensive ad under each category either. Just have each listing refer to your main ad and which page it appears on. Some people feel they need an ad under every possible listing. In many cases this can be unnecessary and extremely expensive.

2015 Update: *The value of the Yellow Pages in 2015 is very much a matter of individual judgement. Like so many forms of advertising, what once was a no brainer for many business advertisers has today been reduced to the extent that one has to decide if it's needed at all and if so, to what extent. To use our above the line and below the line method, I think it's fair to say that for many businesses, Yellow page advertising would have once been an above the line option but today is a below the line option.*

The Internet

There is an unbelievable amount of hype surrounding the value of websites on the internet and to be honest, I have not had a lot of experience with clients who operate internet sites other than informational sites.

I do concede however, that for some businesses, it offers brilliant potential for increasing sales by opening up a much broader market, even worldwide.

For many of the businesses I deal with, I feel the time and effort required to fully and efficiently service internet business, makes it unviable. For them, just like mail order business can appear to have great potential, the resources needed to manage and operate this type of service professionally and efficiently makes it quite time consuming and expensive. I know many who have tried and failed. Those who persevered often found that the necessary volume of business, if it came at all, took a long time to develop.

My advice to any business owner considering developing a serious internet or direct mail side to their business would be – do your homework very well before undertaking anything in this field. At least you will then be going in with your eyes wide open.

2015 Update: *In 2015, few businesses can afford not to have an internet presence to some degree. My feeling is that to gain any real value from a website, you would have to gain a very good understanding of customer and buyer behaviour in relation to the way people access and use websites. For most small operators, competing in a worldwide marketplace with the retail giants and internet heavyweights etc. would have to be very challenging. The only advice I would offer is, if you have a mind to go this way, find someone who not only understands how to build a good looking website but someone who also knows how to make it work for you. Try not to get caught up in the hype but rather get down to the nitty gritty of thinking through what effort and resources it will take to maintain the site, how people will find it, whether they will want to do business as a result, how you deliver products or services etc. The internet, like advertising, can be a wonderful asset to a business but only if done right.*



Letterbox Deliveries

What is it about junk mail? Talk to almost anyone and they will tell you they hate it! So why is it that our letterboxes are seeing more and more of it each week?

You would be have to be a bit naïve if you thought that the multi-nationals produced millions and millions of expensive and glossy brochures and catalogues on a regular basis (and have done for years) if it didn't work. The only possible conclusion you can take from this is that, they are still a highly successful marketing tool for the companies that use them.

For small businesses however, the considerations are a little different. For a big business like say Harvey Norman, the cost to produce and distribute a catalogue would be very little per household compared to the cost per household for a small business to do the same thing. For one, Harvey Norman's suppliers would contribute to the costs of including their products in the catalogue. For another, the cost to produce full colour artwork and printing in a small quantity is a lot more expensive than for huge runs.

Despite this, letterbox deliveries can be highly effective and are well worth considering for appropriate businesses. In some cases they can be far more cost effective and give more flexibility than newspaper ads.

To consider letterbox deliveries more fully, take time to gather, read and evaluate what comes through your letterbox each week. With a little thought and imagination, I'm sure you will glean some good ideas or techniques from what the pros are doing.

It's also worth noting that full colour printing costs have come down considerably in recent years. In fact, you may be pleasantly surprised by the low printing costs offered by some specialist printers.



A SMART letterbox delivery would always include - details of a great offer or opportunity and a reason to buy sooner rather than later.

Client Newsletters

Client newsletters are an excellent way of keeping in touch with your clients. They allow you to convey new or interesting information about your products or services, offer specials, present opportunities or simply help strengthen your branding or image. I'm sure many businesses would like to produce client newsletters, but don't because of the time and effort required or they just don't have the required skill or resources to produce them.

My purpose here, as throughout the handbook, is not to include all there is to know about producing newsletters, but to highlight those things I feel will help you move forward.

First, I want to encourage you not to be put off by the obstacles, but rather to look for ways to overcome them. I have seen many businesses benefit from sending out newsletters to their clients. And hey, a newsletter doesn't have to be anything too special. I've seen newsletters produced as a simple and straightforward letter using a basic computer word processing program and then photocopied onto coloured paper.

There are any number of ways and means to produce a newsletters so PLEASE... try and get your hands on samples that others put out and put your mind to work – I'm sure you will come up with something that will start the ball rolling and lead to better things. Once you do, you'll be surprised how even the simplest newsletters can be used to great effect once you discover how to press your customer's hot buttons.

2015 Update: *The internet today is used by many businesses, big and small, to communicate with potential customers and not just using newsletters. Most of us are being bombarded with all manner of "stuff", be it information, offers or our everyday bills and accounts. Hard copy newsletters have been largely replaced by email newsletters, blogs and other social media methods, particularly via Facebook. Many businesses communicate with potential customers very successfully using Facebook or similar sites. Personally I'm now too old to learn all the in and outs of how Facebook marketing works but I know enough business owners who gain good success from their Facebook pages to realise that good opportunities are available there.*

Point of Sale

The value of point of sale advertising should not be under-estimated. For one thing, it's very cheap and can be done on short notice. Often a blackboard or a piece of cardboard is all that's needed to put up a simple sign.

But as with all the advertising and marketing initiatives we're covering in this handbook, even a simple point of sale sign can be done in one of two ways... with know-how and a sound strategy or without.

Done well, this type of signage can add hundreds, even thousands of dollars to your bottom line each year.

However, it's worth mentioning that in this present age when only the spectacular seems to get people excited, little fish are still very sweet... especially if there's enough of them.

By developing and maintaining an effective point of sale advertising strategy, you won't be doing anything spectacular but you'll certainly ensure there are plenty of sweet little fish adding to your bottom line.

So what to do? For most businesses, there are two great opportunities – those people who walk past your front door and those who actually walk in. Obviously those who walk into your business have a mind to buy something or at least browse, while those walking past probably aren't even thinking about you. Both however, are right there in range and both present opportunities that you should not let pass too easily.



For passing traffic, think up ways to catch their attention by giving them a valid reason to come inside. I'll leave it to you to come with what to say but whatever you do make it big enough and bold enough (and legal enough) to stop traffic as it were.

One example could be a chemist who puts up a big sign that says "HALF PRICE COSMETICS – Inside". Of course, I'm assuming the chemist could come up with a collection of slow moving, surplus or unpopular stock for this purpose. The main aim is to cause people to come into the shop... after that who knows what they may or may not buy, or at least see for next time. I'm sure you get the idea.

The same principles can apply for those who come into the store. It's amazing how just a small sign can induce those extra sales. Again, I'll leave it to your imagination as to what you can do but to get you thinking in the right direction, here's a couple of examples –

A fish and chip shop could put up signs offering "**Buy 4 Get 1 Free!**". That is buy 4 potato scallops and receive 5 or buy \$4 worth of potato chips and receive \$5. The idea here is not so much to give product away free, but rather to get customers to lift their buy. Potato scallops and chips generally have very good profit margins to work with. The principle is like the fast food outlets who offer "Upsizing" from regular to large for say \$1 extra. Whatever you decide to offer, the end result is to see more customers spending more with you than they may have intended, even if it's just a few cents. Those few cents will add up.

A health food store could put up little signs (often referred to as shelf talkers) around their shelves that say **TIP! Check the savings by buying the larger size of this product.** Quite often, good savings can be made on this type of product by buying a bottle of say 50 or 100 rather than 25 or 50. And often, people who take health foods such as vitamins and supplements, take them regularly over a long period. It makes sense to try and save your customers some money while up-selling them.

Signs aren't always needed either. I know a store where every time they sell a packet of cigarettes, they offer customers a throwaway lighter (price \$1). You'd be surprised how many people say "yes". I'm certainly not promoting smoking here but it's a genuine example that highlights the benefits of what I'm talking about. If you're thinking McDonalds and "Would you like any fries or drinks with your order?" – **Exactly!** Go and do likewise.

Major sponsorship

Businesses are frequently approached about sponsoring various events and you may be wondering why I would include sponsorship opportunities in this group.

The reason is simple. Serious or Major Sponsorship can be very effective and beneficial if handled right. The problem is that most small business owners don't really consider Major Sponsorship is within their reach. That could be true, but it's worth mentioning a couple of brief points so that you don't let any good opportunities go by.

The first point is this – when BIG business sponsors a major event for say \$1 million, they allow about three times that amount again to ensure they get "value" for their money. In other words, they don't just give money in sponsorship because they are jolly good fellows. They regard it as a serious marketing opportunity with benefits far beyond those that may appear on the surface. Handled rightly, the volume of publicity, the media exposure and the "branding" opportunities that come with such sponsorship can far outweigh the actual cost.

Probably the most extreme case I can think of is McDonald's **McHappy Day**. Whoever thought this up is a genius.

Although not exactly a typical sponsorship, it's a perfect example of how getting the media working for you without paying for it can benefit a business.

To the casual observer it seems to go something like this –

McDonald's offers to donate \$1 for every Big Mac sold on the day to a charity.

It seems they are then able to convince every media to run with the story. How much is this publicity alone worth?

Next they seem to be able to rope in a swag of "personalities" to actually work in their stores on the day. How much would personal appearance fees for these stars cost under different circumstances?

During the day they get to sell an enormous amount of other product at normal prices. It's not hard to imagine the huge increase in the day's turnover as a result of the event.

And to top it off, after the event Macca's get further publicity with footage of the stars in action and with the announcement of how much was donated to the charity.

In the wash up McDonald's are considered heroes, they give a bundle of money to a worthy charity, get publicity across the country and very likely made a huge profit for themselves along the way.

Simply brilliant wouldn't you say?

The second point is this – If it is your policy to sponsor (a better term may be donate to) a variety of small things during the course of a year, be aware that these add up. It could be well worth considering sponsoring one major event only where the outcome will benefit your business in a much more significant way.

As always, there's a lot more that could be said here but it is not my purpose to go too deeply into the whys and wherefores as part of this exercise. Just take on board the few thoughts I have put forward when considering future sponsorship opportunities.



▶▶ Is your product worth giving away?

In certain circumstances the best way to advertise may well be to **GIVE** your product away.

No! I haven't lost the plot – giving a product away freely can be a brilliant marketing ploy given the right set of circumstances.

This brief story of a typical situation should help you get a feel for how and when it might work. I'm sure you'll be able to judge for yourself whether it's appropriate for your business.

A pizza shop makes great pizza as evidenced by the number of people who keep coming back on a regular basis.

The shop owner is confident that once people try his pizza, they'll keep coming back.

This shop owner also realizes the **Lifetime Value** of a customer. That is, he understands how much a customer who regularly buys a pizza each fortnight off him is worth over say two years. Let's say a pizza costs \$10 and the profit is \$6. If his regular customer buys 52 pizzas over two years (that's one a fortnight), the customer's lifetime value to the shop is \$312 **in profit**. (from \$520 turnover)

The theory goes like this – if the pizza is good enough to convince the owner that once a new customer tries it, they'll keep coming back – and then there's genuine potential for this customer to become a long term regular – then why not give him a FREE pizza up front?

The normal alternative for introducing new customers is to spend quite a lot of money on other forms of advertising... and with many pizza shops this is often on a weekly basis.

Let's say it costs this pizza shop owner \$1000 a week to put leaflets into letter boxes to attract customers.

Now imagine what would happen if he gave 250 non customers each week a free pizza. Remember that each pizza costs him \$4 to make. ($250 \times \$4 = \1000)

If the theory is right, how long do you think it would take for the recipients of the free pizza to come back and buy again... and again... and again and so on.

Think about it!

▶▶ Where to get help with your advertising

There are plenty of people willing to give you help when planning or preparing almost any advertising you may want to do. In the small business arena however, most are usually “selling” for a particular media outlet such as a radio station, television station, newspaper, printer or other advertising opportunity. Their allegiance therefore would primarily be to the organization they work for. You therefore need to be mindful of this and ask yourself, is this the help you should be trusting?

Please appreciate that I am in no way suggesting these representatives can't be trusted. What needs to be said though, is that you should be aware that just because someone works or represents an organization that is in the business of selling advertising, doesn't necessarily mean they are in a position to give you the quality of advice you need.

In many cases, these people are simply trained sales people. Trained enough to be able to tell you about the product they sell, but lacking the knowledge and experience needed to give competent market advice or to be able to help you develop a sound strategy or concept for the ad you are considering buying off them. This handbook makes it blatantly clear that good advertising and in the broader sense marketing, requires time, effort and know-how. Few media reps have the time needed to put in the effort, nor the know-how to give you much more than minimal help. Their employers often put demands on them that don't allow them to give clients the time and effort they deserve, even if they did have the necessary skills.

That's the bad news, now the good news.

If after reading this handbook, you still feel you need help... good on you! That says to me you're taking the task of advertising very seriously.

My advice therefore is to try and seek out those in your area who claim to be freelance advertising or marketing consultants and then go and talk to them. I'm sure you'll soon be able to determine if you feel comfortable with them and their credentials.

Use media reps by all means, to source information about the products they sell, but as far as formulating strategies and concepts to achieve the outcomes you need, it's worth talking to someone with expertise in these areas. After all, you wouldn't expect the computer salesman who sells you your accounting software to be able to competently give sound advice on your business' financial position.



Consider hiring a Casual Marketing Consultant for your business.

It's not uncommon to hire a casual bookkeeper, gardener or cleaner.. why not an expert marketing adviser for a few hours each week?

▶▶ Advertising – Using other peoples money

How would you like to have someone else pay 75% of your advertising costs?

Believe it or not, I have a client who is reimbursed 75% of his advertising costs whenever he advertises this particular suppliers' products. 75% is rather high and not quite the norm, but 50% often is and that's almost as good.

What I'm talking about is co-operative advertising. If you're not familiar with the term, it goes something like this.

Most businesses, be they retail, wholesalers, manufacturing or whatever, have suppliers. And just like you, your suppliers are keen for you to sell their products, your suppliers also have a genuine interest in your success. In other words, it's in their best interests for you to sell a lot of their product – the more the better.

Generally speaking, most suppliers have a co-operative advertising policy in place where they can actually assist their dealers or agents to offset some of the costs associated with advertising their products.

Policies vary between companies, but at the end of the day, most have money set aside to help you when you advertise their products. The way they make this money available to you can vary considerably. For example, one supplier may have a policy where they allocate 3% of your total purchases over a year to an advertising fund that you can draw on anytime. Using this scheme, say you purchased \$200,000 worth of product, your supplier would set aside \$6,000 (3%) in your advertising fund that you could draw on for advertising his product as needed.

Another company may have a completely different policy such as your buying price has an advertising subsidy component built in. In this case, you're still getting money from your supplier, but it would appear that he doesn't really care too much whether you use it for advertising or simply pocket it. Either way, this system means that any advertising you do needs to be fully paid for by you as your supplier has already contributed through your buying price.

In many instances however, it's just a case of taking opportunities as they come along and then taking them up with your suppliers as needed.

Although there are various other ways suppliers can choose to "support" you, the important thing to remember is what I said earlier, that your suppliers have a genuine interest in your success and to that end have a responsibility to give you ever bit of help they can to ensure it happens. Of course, some do it brilliantly, while with others, it can be a bit like pulling teeth. The trick is in how you go about it. This is where a little know-how can help.

Put yourself in their shoes

No matter what the situation, most of us are willing to get behind someone who is having a go.

It's the same with your suppliers, if you're having a go, they'll usually get behind you when asked. Everyone loves a trier and your suppliers will be much more enthusiastic about giving you their help, be it money or otherwise, if they regard you as a trier. That simply makes good sense doesn't it?

So when you decide to ask a supplier for help, a simple way of approaching the task, is to first try and imagine yourself in your suppliers' shoes. Ask yourself, if the situation were reversed, what would I like to see at my end.

I suggest I would consider the following –

The Proposal.

How professional was the approach? Does it appear that the project has been well thought out?

The overall value of my customer

Is he worthy of my support in the first place?

The benefits of participating.

Is there potential for increased sales? Will my brand benefit from the exposure?

The merit of the exercise.

Does the overall strategy make good sense? Is it wise to advertise now? Is it the best media to use?
How professional will the production be? What level of involvement should I have to make sure it has the best chance?

The integrity of my customer.

Can I trust him to do what he says he will? What proof would I like to see?

Having read this, it's not hard to imagine why a lot of business owners miss out on getting their share of these valuable co-operative funds. They either don't know how to go about it or simply don't put in the required effort to present a well thought out and practical proposal. Believe me when I say those who make the effort – get the money.

But don't do this!

Although a simple phone call to a supplier asking if they'll go you halves in an ad sometimes gets a favourable response, this should be regarded as the exception rather than the rule. This approach may be appropriate where you're asking for a small amount such as \$100 for a small newspaper ad, but it will rarely get you amongst the real money.

If you want \$1000 or more for a serious advertising campaign, don't just ring, put a serious proposal together, taking on board the questions raised above. You may be surprised how willing your suppliers will be to help you, once they realize you're serious and know what you're doing. Learn the art of getting co-operative advertising money from your suppliers and you'll start another snowball that will ultimately see more profits flow into your business – and it will all have started **using other people's money!**



▶▶ Sales Promotions

One of our most popular forms of marketing is running a Sales Promotion. But like most other advertising concepts covered in this handbook, a little know-how can make all the difference between failure and success or success and greater success.

There's also a lot that could be introduced here, but in keeping with the rest of this handbook, I'll again just highlight those things that I feel will help get you thinking in the right direction.

In simple terms a sales promotion is a marketing exercise designed to **accelerate sales**.

They provide an excellent means for doing just that. I would encourage every business owner to use them in their marketing plans provided that within your strategy, the prospects for further growing your business are in place. I've seen many businesses run sales promotions that do nothing more than cost a lot of money, do nothing to introduce new long term customers and do nothing to enhance the reputation or further growth of the business concerned.

With those thoughts in mind, what I want to do here is to get you to think **long term** and spend your money thinking **investment**, to think **new customers** and to think about how your **branding** and **reputation** can be enhanced through staging good sales promotions.

Unlike routine advertising campaigns, most sales promotions involve a good deal more cost and there is often a lot more at stake. It's important therefore, that you carefully weigh up the cost of doing a sales promotion against the likely outcome. You need to consider both short term and long term objectives.

As part of this process, you will need to determine **how much** advertising it will take to do the job properly, **what type** of advertising and what it will cost.

Determining how much needs to be spent on the advertising component of any sales promotion usually requires serious thought. I have witnessed many occasions where the needed outcome was not matched by the appropriate investment. I have also seen times when the amount of advertising undertaken was way beyond what was needed. To modify a slogan from a well-known former ad – it's a case of determining what's not too little, not too much and Just Right!

So how are sales accelerated?

Generally speaking, sales are accelerated by giving customers extra incentive to buy a particular product or products and this often involves a short time frame.

The most common sales promotion of course is a straight out **"sale"** but there are plenty of other ways to give customers that extra incentive needed for them to "buy" or "buy now". For example, multinationals may have a **buy 1 get 1 free** offer to introduce new products, or a **Cash Back** offer for trying a particular product. Others may offer **25% more** for the same price while others still may **attach a gift** such as those seen in some magazine sales promotions. Then of course, there's the popular **competitions** giving buyers the chance to win holidays, cars or other elaborate prizes.

Whatever form they take, sales promotions are essentially designed to accelerate sales above the normal level – the way they do it is to **add incentive** for buying the product.

Be sure you have a clear strategy.

In big business, there is always a good reason for running a sales promotion and you can be sure there is a sound strategy in place to make the exercise highly profitable for the company concerned. This can be despite the fact that we sometimes have cause to scratch our heads and ask "How can they possibly afford to do that?"

Trust me they can! And yes, they do know exactly what they are doing. They may not always get the result they want but you can be doubly sure that their strategy has been well thought out.

Let's consider one possibility as we try to understand a typical sales promotion strategy –

A popular toothpaste manufacturer, let's call his product Toothpaste A, discovers that sales for one of their popular brands are dropping. It may be because a rival toothpaste manufacturer, we'll call his product Toothpaste B, has recently introduced a new product into the market and it would appear that "B" is starting to grab more than an acceptable share of the market.

"A" has to take action if he is to stop or reverse the trend. Keep in mind that at this level of business, a 5% drop in sales of a product such as well-known toothpaste represents a lot of money. Not only are monetary profits at stake here, but also the value of the brand if sales drop too much.

To accelerate sales of "A" back to the necessary level, the company decides to offer 5 x BMW cars as prizes in a competition. All customers have to do to enter is send in the barcodes from two packets of Toothpaste "A" before a certain date.

It's not hard to image how this incentive, backed by the right media advertising would cause many toothpaste buyers to buy not one but two packets of Toothpaste "A".

As a result of this, several things would likely happen –

More Toothpaste "A" would be sold.

The extra sales of "A" would be at the expense of "B" and other toothpaste brands.

If buyers were happy with the product, a number who started to buy "A" again or for the first time would continue to buy "A" on a regular basis.

This in turn would help restore the sales of "A" back to or above their previous level.

In an arena as big as the one major toothpaste manufacturers play in, the long term profits associated with getting sales figures for "A" back to where they needed to be, would more than compensate for the cost of staging a sales promotion of this magnitude.

OK... let's bring it back to our level.

It's the principles behind staging a sales promotion that I want you to take away from our example.

In a nutshell, these include –

Sales promotions are used to **accelerate sales** at a much greater rate than other routine advertising.

A **strong incentive** is the catalyst used for achieving this.



A sales promotion should ideally run for a **limited time** only.

Include a strategy for gaining long-term benefits as well as short-term benefits.

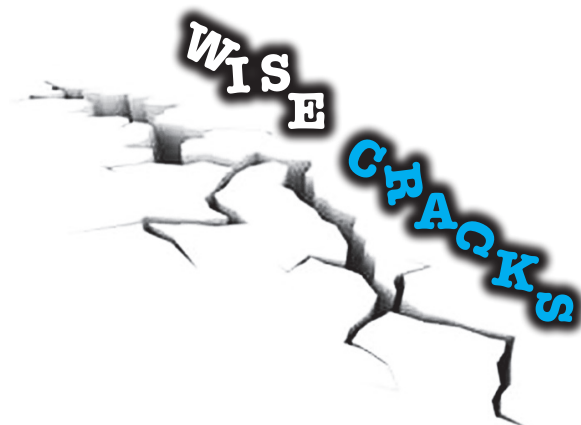
E.g. aim to introduce new long-term customers (e.g. Follow up names on entry coupons?)

Aim to lift average turnover permanently not just during the promotion.

By all means undertake sales promotions if they will help grow your business. But whatever you do, think of ways to ensure there are benefits for your business well beyond the end of the promotion.

It is very difficult for me to be much more specific about how to stage a sales promotion than this. There are so many variables that can come into play, so many different situations where they can be used, so many different individual needs to address and so many ways to fund prizes. There are also a variety of different methods that can be used so I'm sure by now, you can appreciate how the list goes on and on.

If the idea of a sales promotion appeals to you and you have a mind or a need to stage one, particularly one that involves valuable prizes and needs to meet specific legal requirements, my advice is to seek out a professional to help you. If they know their stuff, they'll be able to give you very valuable advice. You may then choose to engage their services to organize the promotion for you. It may well prove to be money well spent.



Why give 20% discount when less will clinch the sale?

Remember - If you mark up 50%, 20% off your retail price, it reduces your profit margin by 60%.

▶▶ If you do nothing else – do this!

We've come a fair way and maybe by now, your head is spinning a bit.

I fully appreciate this along with the fact that it's sometimes a bit hard to take in a lot of information like this and then be able to retain it all, especially if it involves a subject you'd prefer someone else had to worry about.

To help overcome this, I'm closing **Small Business Advertising Made Easy** with a summary of what I consider the most important points for you to take away from these many pages of information.

But before I do that, please indulge me for a moment or two longer while I reiterate that my ultimate purpose in writing this handbook has been to help small business owners adopt an attitude towards their marketing that will genuinely help them grow their businesses. I trust that it is also obvious by now that I would like to see readers of this handbook take on board many if not all the principles we've covered.

If you do, I have absolutely no doubt you will not only survive the ups and downs of the business roller-coaster, but prosper from doing your marketing more efficiently, more thoughtfully and with a more result orientated attitude.

Applied correctly, the principles throughout this handbook will turn what has been a burden for some into enjoyment, what has been a challenge for others into victory and what has been an expense for others into investment.

I trust you are now keen and willing to put in the small amount of time and effort required to make them work!

May I now wish you every success in whatever business you're in. May you prosper and grow your business to benefit yourself, your family, your employees and your country.

Bob Holland

If you do nothing else – do this!

REGARD your advertising as one of the most valuable tools you have for growing your business. **PAGE 6**

NEVER advertise unless you are confident your ad will bring in at least one new customer. **PAGE 13**

DON'T advertise unless you have a very good reason to do so and a clear outcome in mind. **PAGE 13**

WORK on “branding” your business. Your aim should be to ensure your business comes to mind when people are looking for your type of product or service. **PAGE 17**

KEEP doing the same thing until it stops working. **PAGE 19**

DON'T get bogged in the paralysis of analysis if the threatens to stop you from moving forward. **PAGE 15**

CONSIDER a win a win, no matter how small. **PAGE 15**

DON'T try to tell your whole story in every ad. Advertise one area of your business at a time to the right market. **PAGE 16**

ADOPT a Get Rich Slow attitude with your advertising. Building little by little will make it grow. **PAGE 11**

LOOK for opportunities where you can tap into co-operative advertising money. **PAGE 33**

CONSIDER hiring a casual marketing manager. 1-2 hours of expert advice or help each week will pay dividends. **PAGE 32**

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