

Marketing: More than shopping for new business

Linking several components pays bigger dividends

By KEVIN W. BROWN, M.B.A.

Small to mid-size businesses face a continuing challenge: how to achieve excellence in marketing efforts with limited financial and human resources. They cannot afford to emulate the full-scale, expensive programs that larger organizations employ, yet they still need to achieve significant results.

Most smaller businesses have a long list of marketing objectives, such as near-term sales generation and image building. However, their difficulty lies in weighing the benefits of each of these goals, prioritizing them, and finding the most efficient and cost-effective means to accomplish them.

The answer to this dilemma is twofold: a clear understanding of marketing and adherence to key traits of successful marketing programs.

Marketing defined

Before we go any further, let's minimize the confusion and provide a definition for marketing. The term "marketing" has a lot of people confused because it has been so misused by many uneducated "marketers". As marketing has become more important, many people in very diverse occupations have tried to "link" themselves with it, calling themselves (among other things) "marketing specialists". Without so much as a Bachelor's degree in Marketing, they use the term as just another "buzz word" for whatever it is that they do.

So let's dispel the myths and clarify the matter. Marketing, in its simplest form, is actually everything your organization does in order to *identify and satisfy the needs and wants of your "market"* (actual and potential buyers of your product or service). It is understanding your market, adapting to meet its needs, and effectively communicating your capabilities.

Marketing therefore encompasses a very broad spectrum. Let's briefly look at the different functional areas of the "marketing mix":

- **Strategic marketing:** Identification of markets, creation of goals and objectives to satisfy market needs, and development of specific strategies and action steps.
- **Marketing research:** Information gathering to support marketing decision-making (prospect research, needs/wants analysis),

- **Competitive analysis:** Uncovering weaknesses, strengths, and market positioning,

- **Product or service development:** Creation of product/services that meet market needs.

- **Pricing strategies:** Decision-making to support sales, profit and market positioning strategies.

- **Advertising:** Paid mass communication that clearly identifies a sponsor.

- **Publicity:** Media communication that is not purchased (e.g., feature articles, television news stories).

- **Public relations:** Communication or events that tend to be goodwill-building in nature.

- **Promotion:** Sales-related communication that tends to be incentive-oriented (rebates, coupons, contests).

- **Sales:** Influencing and persuading prospects and customers.

- **Customer service:** Effective delivery of services in a manner consistent with the company's desired image.

As can be seen, marketing is actually a lot broader than many business owners may have thought it to be. The key point is to realize that there are many available components to an effective marketing program.

Selection of the appropriate marketing mix is critical, since your marketing vehicles must properly match with your short and long-term objectives. This lack of alignment is one of the key reasons that businesses fail in their marketing efforts.

Traits

Successful marketing programs (i.e., combination of sales efforts, advertising, publicity, etc.) typically share six common characteristics:

- **Well-rounded.** Many businesses lack a unified, cohesive, well-planned effort. Instead of designing a complete program, they try one method and then another, experiencing failure after failure. For example, they may try advertising for six months, yet when it fails to bring in immediate new business, abandon it. From that disappointment, they go on to media relations, seminars, etc., without ever *combining* the unique effectiveness of each of these areas. An effective program encompasses more than one aspect of marketing. The entire marketing process should be considered before determining the appropriate combination of methods to utilize.

- **Objective-oriented.** Your marketing program should be based upon a mixture of short- and long-term objectives. This mix has a

direct impact upon the type and emphasis of available marketing tools, since some are better suited to achieving either immediate or long-range new business goals. For example, your business may devote 50% of its marketing budget to near-term activities (i.e., expected to generate revenue in less than one year) and 50% to long-term programs (i.e., generate revenue in one to five years). Based upon your budget, the program may consist of networking efforts, creating and using an effective business brochure, and a series of targeted seminars for prospective customers.

- **Consistent efforts.** Marketing programs should be consistent, year-round efforts because "stop-and-go" marketing always brings mixed results. This can be particularly difficult for smaller businesses, since are often responsible for every facet of the company including marketing, finance, production and human resources. However, it is crucial to have consistent implementation, since this will maximize your efficiency and effectiveness. It is also easier to rate the productivity of an activity if it is carried through to completion.

- **Committed budget.** For marketing programs to be consistent and objective-oriented, they require an *established* budget. Discretionary budgets are devastating to the effectiveness of any marketing program. Ask yourself this question: Can you afford *not* to market your business effectively?

- **Sophisticated management.** Many successful businesses are hiring experienced marketing *professionals*, whether as in-house personnel or outside consultants. Preferably, these professionals should be educated and experienced in *all* aspects of marketing, rather than one area, such as advertising or public relations. This background is useful in designing and managing the entire process, instead of creating various activities that act independently of each other. Since marketing is a broad discipline, a narrow background can result in a myopically focused program that fails to integrate essential elements.

- **High priority.** In this age of Total Quality Management, many businesses are finally realizing the need to place the customer first. Interestingly enough, marketing's emphasis *has always been* understanding customer needs, adapting to meet them, and effectively communicating your capabilities. Perhaps now more than ever before, marketing must consistently be a top priority for small to mid-size businesses in order to survive and prosper.

Kevin W. Brown, M.B.A. is president of *KB Business Marketing in Huntington Beach, California.*

KB BUSINESS MARKETING
A Business Approach to Marketing™ - Founded 1996

20861 Skimmer Lane, Suite 200
Huntington Beach, CA 92646
Phone: (714) 965-1556
Fax: (714) 965-2416

E-Mail: kb@KBBusinessMarketing.com
www.KBBusinessMarketing.com