

*“Marketing takes a day to learn.
But, it takes a lifetime to master.”*
Philip Kotler

Let’s say you just invented a brand new product—and it’s perfect in every way. It performs flawlessly. It sports several new and user-friendly features. It commands a high price—and can be produced for just pennies. It’s a guaranteed success, right? Wrong.

Unless people hear about your product, understand what it does, and know where to get it, it won’t sell. That’s the job of marketing. You see, just inventing a new product isn’t enough. It’s only the first step towards success. The real success comes from gaining market acceptance—and that’s the job of marketing.

A Pop Quiz:

Which of these are marketing activities?

1. Mailing a flyer.
2. Advertising in a trade journal.
3. Making a sales call on a prospect.
4. Getting interviewed on a radio station.
5. Offering a discount for a limited time.
6. Developing pricing for a new product.
7. Rolling out a new product.

8. Penetrating a new market.
9. Developing a new brochure.
10. Researching your customers.

If you said ALL, then you're right. All of these are familiar and quite common marketing activities.

Now, which of these are marketing activities?

1. Answering your business line.
2. Describing your business to someone at a party.
3. Interviewing job candidates.
4. Sending an email.
5. Providing an estimate.
6. Contacting an account about an overdue invoice.
7. Making your voicemail system easier to navigate.
8. Providing a referral.
9. Thanking a supplier for a job well done.
10. Returning phone calls.

Your answer? The correct answer is ALL of them again. Surprised? Don't be. All of these are points of contact between your company and the outside world. All help deepen a relationship. And all happen between someone in your company and an outsider.

My little exercise here underscores that marketing happens, not only in the traditional senses (print advertising, broadcast advertising, direct mail), but

also in your company's day-to-day interactions.

As a small business owner, you must consider a wider range of marketing opportunities than just the traditional ones. Don't think of marketing as just placing ads or passing out flyers. This book will show you there's much, much more to it—and everyone in your company can contribute.

*Marketing is a process where **everyone** in the company pursues actions, at designated contact points, to increase sales, profits and deepen relationships.*

What All's Involved in Marketing?

That's all fine, you say. But exactly what makes up marketing? In 1967, Philip Kotler, a professor at Northwestern University, offered a clear definition of marketing. He saw marketing as a discipline that encompassed 4 areas—each beginning with the letter 'P'. These 4 P's of marketing are:

Price

Product

Place (or Distribution Channels)

Promotion

40 years later, these 4 P's still form the

cornerstones of marketing. Today though, several more elements can be added to form the broader vision of marketing. They are:

People—without the right marketing team in place, your marketing efforts will stall.

Processes—marketing is a process, not an event. Because proper marketing counts on ongoing and repetitive actions, the better your processes are developed and documented, the better your marketing will be.

Profitability—a marketer's ultimate scoreboard is the profit line. What good are sales if they don't result in a profit?

Now, today's small business marketing covers all these areas:

What does Marketing cover?

<p style="text-align: center;">Price</p> <ul style="list-style-type: none"> <input type="checkbox"/> Product pricing vs. competition <input type="checkbox"/> Pricing affordability <input type="checkbox"/> Price→Value relationship <input type="checkbox"/> Discounts, terms 	<p style="text-align: center;">Product</p> <ul style="list-style-type: none"> <input type="checkbox"/> Current products & services <input type="checkbox"/> Packaging <input type="checkbox"/> Value-added services <input type="checkbox"/> Product & service enhancements <input type="checkbox"/> New products & services
<p style="text-align: center;">Place (<i>Distribution</i>)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Market size & coverage <input type="checkbox"/> Physical locations (e.g. stores) <input type="checkbox"/> Staff for physical locations <input type="checkbox"/> Communicating w/& motivating locations <input type="checkbox"/> Intermediaries (e.g. distributors) <input type="checkbox"/> Communicating w/& motivating intermediaries 	<p style="text-align: center;">Promotion</p> <ul style="list-style-type: none"> <input type="checkbox"/> Promotional mix <input type="checkbox"/> Branding <input type="checkbox"/> Positioning <input type="checkbox"/> Targeting <input type="checkbox"/> Marketing communications platform <input type="checkbox"/> Marketing vehicles <input type="checkbox"/> Personal selling <input type="checkbox"/> Personal selling tools <input type="checkbox"/> Quality of marketing vehicles <input type="checkbox"/> Promotional budgets <input type="checkbox"/> Internal marketing
<p style="text-align: center;">People</p> <ul style="list-style-type: none"> <input type="checkbox"/> Staff @ contact points <input type="checkbox"/> Internal marketing staff <input type="checkbox"/> Marketing management staff <input type="checkbox"/> Sales & marketing training 	<p style="text-align: center;">Processes</p> <ul style="list-style-type: none"> <input type="checkbox"/> Marketing planning process <input type="checkbox"/> Marketing checkpoint meetings <input type="checkbox"/> Customer feedback processes <input type="checkbox"/> Marketing research <input type="checkbox"/> Documentation of marketing processes

<i>Analysis & Tracking</i>	<i>Profitability</i>
<input type="checkbox"/> Sales analysis	<input type="checkbox"/> Setting margins
<input type="checkbox"/> Budgeting	<input type="checkbox"/> Maintaining margins
<input type="checkbox"/> Forecasting	
<input type="checkbox"/> Marketing expense tracking	
<input type="checkbox"/> Program analysis	

The short of it

Just remember these points when trying to understand marketing:

- *Everyone* markets the company, not just the marketers.
- Marketing is coordinated. This means you must think first, then act.
- Marketing occurs at every contact point between your company and the market.
- Marketing exists to increase your sales and profits. (The dot-com phenomenon tried to refute this by claiming marketing was a 'land grab' for customers, with profits to follow later. Many of these same dot-commers are now no longer in existence).
- In addition to sales and profits, one goal of marketing is to *deepen relationships* between a company and its audiences.
- Marketing is a *process* and not an event.

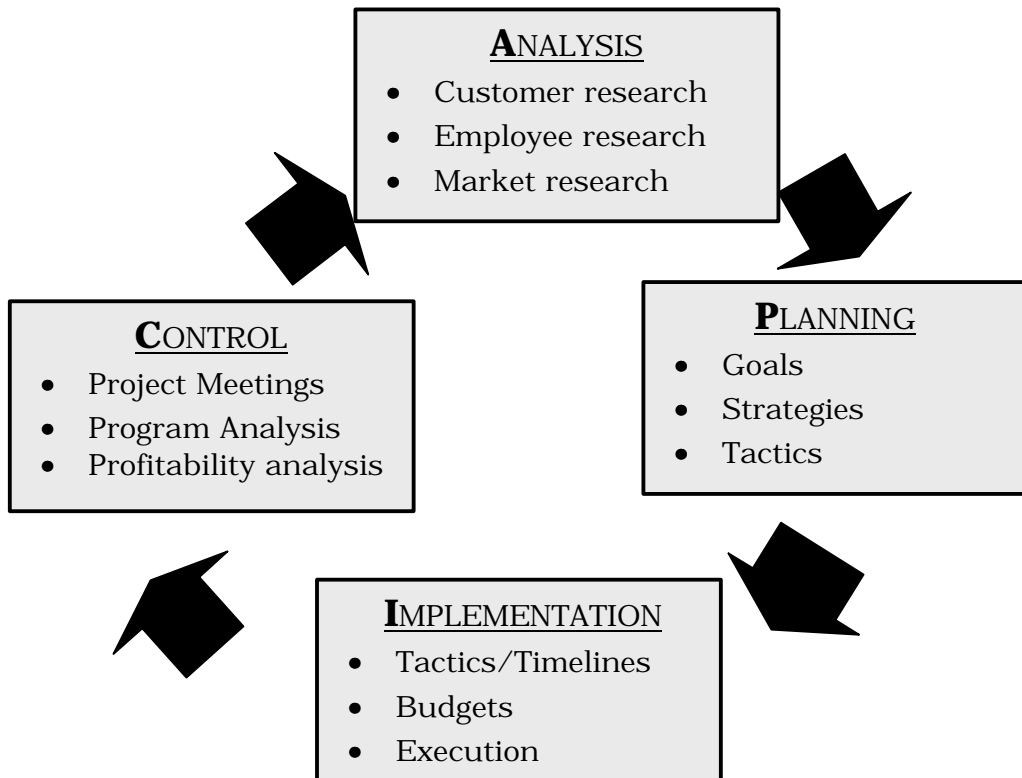
*“Marketing is not a function.
It is the whole business seen from
the customer’s point of view.”*

Peter Drucker

Marketing is a Process

As I mentioned earlier, marketing is a process.

This process can best be drawn up like this:



As you begin your marketing effort (or start another planning season), your first step is to analyze your marketing situation, obtaining key marketing information along the way (Analyze).

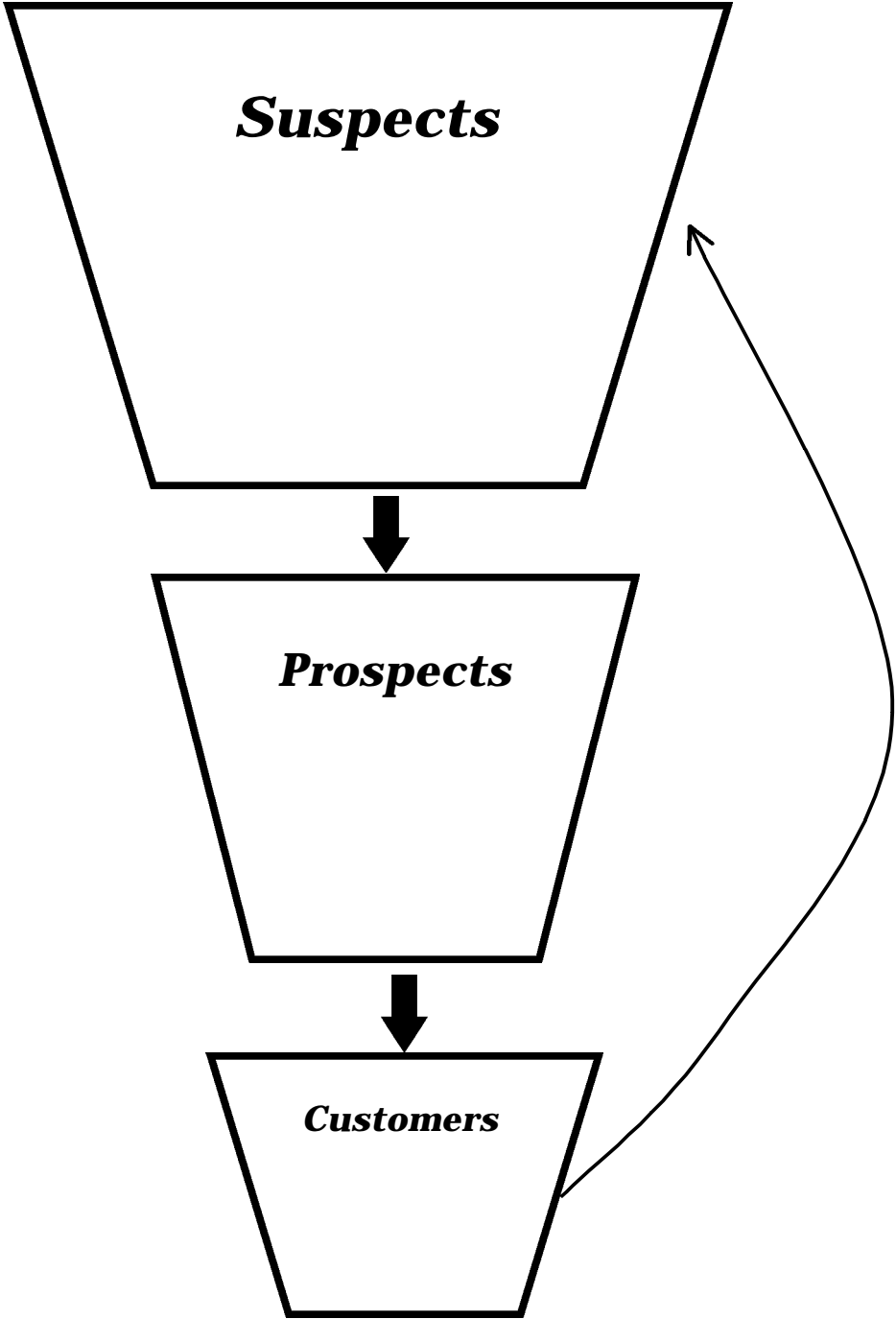
Then, you'll feed this key information into your planning phase (Plan). Upon completing the plan, you'll begin implementing the plan (Implement). And as implementation begins, so does the process of gaining feedback (Control) on your marketing efforts, which in turn, feeds back into another analysis phase and the process starts all over again.

If you ever get stuck in your marketing efforts, go back to this diagram. It usually points out where you are in the process and what next steps to take in order to regain momentum.

Marketing is a Numbers Game

This is a favorite saying at sales and marketing seminars, but it's all too true. As your company's marketer, you'll have to get comfortable with it. Why? Because not every prospect who interacts with your company is ready to buy at this moment. Your job as marketer is to continually fill your prospect pipeline.

The following diagram shows this pipeline.



Suspects turn into prospects. Prospects turn into customers. And customers generate referrals and positive word-of-mouth that, in turn, generates more suspects.

As your company's marketer, you'll work to create a healthy and growing balance of suspects, prospects, and customers.

What it takes to succeed at marketing

1. A Long-Term View

In today's society, we can get most things right now. We get news 24 hours a day. We can purchase most products instantaneously, and most information we're looking for can be found with just a mouse click. In this environment, it's hard to appreciate that 99% of successful marketing happens over the long haul. Today's media glorifies these overnight sensations, but remember these are isolated instances. Most successful marketing depends on:

- Patience
- Persistence
- and
- Positive attitude.

To prove this point, I want to share with you an

experience I had with a prospect. The graphic details the long and winding road my company took to convert them from a prospect into a customer:

Insert 5yr process graph here Need.

As you can see, it took one direct mailing, two meetings, 10 newsletters, one website visit, one email and two proposals to convert this company into a customer. And it might take you that long with one of yours. Are you prepared to plant marketing seeds that might take years to germinate? To succeed in marketing, you have to be in the game for the long haul.

2. Hard Work

Has anyone out there recently started exercising? If so, you'll understand the way marketing feels when you first begin.

When it's your day to workout, you may procrastinate on going to the club. Once at the club, you feel out of place and uncomfortable. Lifting all these weights doesn't come naturally to you and it leaves you tired. The next day, your muscles ache and you consider quitting this madness. Sound familiar?

You'll feel the same way when you first start marketing your company.

Marketing is hard work. There's no easy way around it. But once you start flexing your marketing muscles, you'll be surprised at the results of your effort.

3. A Love of Gray

One spring day I met with a new client in the computer software industry. The discussion progressed nicely for about an hour. Then, the president looked me in the eye, took his pencil in hand and said "Okay Jay, so exactly how many of these software packages will we sell?" I swallowed hard.

He then continued "I think you know enough about this product that you can tell us how many we're going to sell" he continued. I tried to explain that marketing was not a science but an art, but he stopped listening. Being an engineer, he wanted to know exactly how many packages he was going to sell, and if I couldn't tell him, then I wasn't a marketer.

Needless to say, we quickly ended our meeting and I refunded his money. Why? Because marketing is gray, it's not black and white. It's not something you

program into a computer. Marketing is an art, not a science.

4. Flexibility

Don't believe that what works for another company will automatically work for you. If Uncle Joe's direct mail campaign produced record sales, congratulate him. But also recognize he's in another industry. Or he lives in another region of the country. Or he sells a lower priced product. Or his target audience is used to receiving direct mail.

Based on Uncle Joe's success, you can try a direct mail campaign. But must also be flexible enough to change directions if it doesn't achieve your objectives.

5. An Innate Sense of Curiosity

Those people with a child-like curiosity usually become excellent marketers. They revel in the 'new'. They constantly observe other company's actions and ask questions like "I wonder why Company X is doing that". They notice innovative approaches in industries far afield from their own.

With this innate sense of curiosity comes discovery. The curious person stumbles across a new approach that, with a little bit of tweaking, might apply to her

marketing.

6. A Sense of Humility

In my 15 years of marketing, I'm sure of this: *You and I don't know how consumers will respond.* We may think we do. Or we have an inkling. But the fact is consumers are human beings. Because of this, they interact with other human beings, they have emotions and they're unpredictable.

So admit today you don't know the market, but you're going to learn from it. Once you embrace that attitude, you'll be a far better marketer.

7. An Investment Attitude

Let's face it, marketing costs money. You could use this money for other purposes—like investing in your plant or equipment, or hiring additional people. But by investing in the marketing of your business, you're investing in its long-term future. Without investing in your marketing, you may never get to the point of investing in your plant or people. Think of marketing as the IRA of your business. Without investing regularly in it, you'll have a lot less value later on.

8. Follow Through

Many marketing efforts fail because they lack adequate

follow-through. Maybe that's because some people are better thinkers than doers. But, what's the point of a marketing plan if you don't implement it? I'll speak later about how to effectively rollout your plan. But if follow-through is your problem, you must find a resource to help implement your plan.

Remember...

For a small businessperson, marketing can be a black box. But it needn't be. All you have to remember is that marketing is what results from the sum total of all contacts your company has with the outside world.

Today's marketing world is fast-paced, dynamic and ever-changing. And I don't see it changing anytime soon. But if you accept marketing as a long-term process, involving everyone in your company, you're a long way towards successful marketing.

Key Takeaways

- Everyone markets the company, not just the marketers.
- Marketing is coordinated. This means you must think first, then act.
- Marketing occurs at every contact point between your company and the market. If it leaves an impression, it's marketing.
- Marketing exists to increase your sales and profits.
- In addition to sales and profits, one goal of marketing is to *deepen relationships* between a company and its audiences.
- Marketing is a process and not an event.