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Ask the Coach

ANSWERING YOUR MARKETING QUESTIONS 2006-2009



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Mark Dennett, America's Marketing Coach™, is pleased to present this recap of his Question and Answer Column, which has appeared in the Medford Chamber's Business Review monthly newspaper since February 2006.

: 2006

SHOULD I NAME COMPETITORS IN ADS ?

FEB 06

I've seen businesses name competitors in their advertising. Doesn't that just give more exposure to their competitor? (Don, Medford)

THE COACH: Historically, marketing wisdom told businesses to never name competitors, but then along came the 80's Pepsi Challenge. Because the soda market was very crowded (a lot of choices), Pepsi decided to compare itself against just one product, the market leader Coke, thus making consumers believe that there were only two real cola choices (goodbye RC). This same strategy can work today. If you are the clear market leader, it is probably not a good idea to mention competitors. If you are one of numerous choices in a crowded market with little market share or you are new in a crowded market, by comparing yourself to the market leader, the public may elevate you away from the crowd and start thinking of you as one of the top brands.

ARE RADIO PACKAGES GOOD?

MAR 06

Radio stations seem to always want to sell me a package. Are they a good deal? (Karen, Medford)

THE COACH: They can be, but often packages are created with the interest of the station in mind, not yours. Radio ratings reveal that most people listen when they are getting ready to go to work and driving to work (it's called morning drive time); or when they are driving home (afternoon drive time). Most people want their spots run in these periods. So a station usually has a lot more spots to sell (inventory) during evenings and daytime and they are willing to deal if you buy spots in less popular periods. Now, this isn't necessarily a bad idea. Just make sure you get spots in the most popular periods too. Packages that cover all periods are often called TAP plans... for Total Audience Plans. Just make sure that the majority of your spots are not airing in the lowest rated period (evenings and night).

SHOULD I BUY 30 OR 60 SECOND RADIO SPOTS?

APR 06

On radio and TV you can buy 60 or 30 second commercials which is better?
(Bill, Ashland)

THE COACH: Depends on what you have to sell and how memorable you can make your radio or TV spot. I generally recommend that people look at using 60 second spots on radio for several reasons. A 30 second TV spot usually costs half of a 60 second spot. But this isn't true in radio. A 60 second radio spot is usually just a few dollars more than a 30 second radio spot and you have twice as long to create a memorable impression. Also, you reduce the "clutter," time for more spots to run in your break. Another tip is look at using 10 second TV spots, especially during higher priced prime time (8-11 PM). These "station IDs" breaks can be significantly less than buying a spot in the heart of a popular program.

WHAT IS COST PER THOUSAND?

MAY 06

I've heard the term "cost per thousand" used in reference to print advertising. What is this measurement? (Dianne, Medford)

THE COACH: Cost per thousand, referred to as CPM, is a key tool for measuring the cost efficiency of ads. CPM tells you the cost of reaching every thousand people that may see your ad. Think of it as an Annual Percentage Rate (APR). You wouldn't buy a mortgage without knowing your APR. You shouldn't buy an ad without knowing your CPM. You determine CPM by dividing the cost of your ad by the circulation (or readers). For example, if an ad costs \$350 and it reaches 35,000 people, your CPM would be \$10 (\$350 divided by 35 = 10). If you bought an ad for \$700 and it reached 120,000 people, your CPM would be \$5.83 (\$700 divided by 120 = \$5.83). So the \$700 ad is actually a better buy, than the cheaper ad. You shouldn't buy ads exclusively on CPM costs. You may need to pay a higher CPM to reach a specific market that is important to you. But CPM certainly should be the starting point for evaluating print opportunities.

ARE BIGGER ADS BETTER?

JUN 06

Our newspaper ads are just not working. Should we make them bigger? (Steve, Medford)

THE COACH: Larger ads are often more powerful. Purchasing a "page dominant" ad – one of the larger ads on a page – is a good idea if you can afford it. But research shows that 90% of the impact of any ad is determined by the headline. Before trying a larger ad, run a few ads with different headlines and track your results. The goal of any ad should be to inform, persuade and motivate. Unfortunately, most ads only inform because the headline doesn't offer a benefit to the reader. Headlines often just tell a reader about a service or product feature. Try writing your headline with your reader in mind. Always ask yourself, what would really "persuade" and "motivate" a reader to read my ad and take action?

HOW MUCH DO WEBSITES COST?

JUL 06

I need a basic web site. How much can I expect to pay for a good site? (Marty, Ashland)

THE COACH: If you or your kids build it, using online tools or low-cost software, it could be free. Yes, I've seen some good sites created by business owners' kids! If you hire a local web design firm, you'll pay \$55 to \$100 per hour. So, a site could cost a couple of hundred dollars to several thousand, depending on what you need. The real question is how much will it cost for someone to find it? With literally billions of web sites, getting someone to visit your via Yahoo, Google and MSN is critical. This is called "optimization" and firms specializing in this can be very helpful. But don't fall for a firm promoting itself using mass emails. They're worthless. Try to find an optimization firm by referral. While you're looking, here are three tips for increasing visitation: 1) Increase content - the more web pages and information on your site the higher it should be ranked; 2) Increase the number of links to your website, especially from high-ranking sites in your market; 3) Explore buying "pay per click" ads that allow you to bid on specific search terms (all the major search engines offer these ads).

WHAT MEDIA IS BEST - RADIO OR TV?

AUG 06

I can't afford both newspaper and TV ads, so which is better? (Dan, Ashland)

THE COACH: Every media has its advantages, so don't think of them as direct competitors. Selecting TV or newspaper could depend on where your prospect is in the buying process. Newspapers are great for fulfilling need, while television is good for creating need.

For example, research reveals that you probably got the idea for seeing a movie, buying a new car, or taking a cruise by seeing a TV spot ("Boy that's a movie I want to see... That's a great looking car... Doesn't that cruise look fun?"). Because they use our two most powerful senses, sight and sound, TV ads are great for creating needs and desires. But once you want product information (prices, models, discount offers, etc.), newspapers are better.

Do you need to create need (get people excited about your service/product), or do you already have a large market and they just need information? This is one reason why you see so many real estate ads in newspapers. Usually, you don't have to create desire (need) for folks to own their own home. You just need to meet (fulfill) this need by showing them homes they can afford. Of course, marketing is never as black and white as these examples. That's why people use more than one media.

SHOULD I STOP USING DIRECT MAIL?

SEPT 06

In this age of email, is direct mail worth anything any more? (Mark, Ashland)

THE COACH: Absolutely; in fact, many direct mail marketers believe that excessive spam has made snail mail more effective. The biggest problem with locally produced direct mail is that most businesses spend so little money creating and printing a well designed piece, it can look cheap and worthless when it arrives in your mail box. That's why using some firms that develop co-op or shared direct mail efforts, like ValPac (coupons mailed as a group) or RSVP (a postcard pack marketer) can be very powerful; especially if you are marketing a service/product people use often.

If you're going to develop your own direct mail, the number one key is the quality of list. Also, remember to make the envelope appealing and make it easy for people to respond (a clear call for action). I can't tell you how many direct mail pieces I've reviewed where you can't find a phone number, address, email or website easily.

WHY DO SOME ADS WORK BETTER THAN OTHERS? OCT 06

I ran the same ad in several print publications and the ad worked better in some than others. Why? (Karen, Ashland)

THE COACH: The quick answer is that the some publications reached your target consumer better. But the real question is, why did you run the same ad in different publications? I think this is one of the fundamental mistakes businesses make in not maximizing their return on their advertising investment.

As I say in my national marketing seminar, “What you say and How you say it will always be more important than Where you say it.” Once you’ve selected the media you want to run your ad in, your job is just beginning. Now, what should you be telling that target audience about your product/service, and how should you share this information (headline, what benefits are important to them)? A simple headline change or a call for action can make a big difference. Keep the look of the ad, but change the message to appeal to a publication’s audience.

WHAT IS BRANDING?

NOV 06

What is branding? I’ve heard this term, but I’m not really sure how to create a slogan. (Steve, Medford)

THE COACH: Your brand is not driven by a catchy slogan or memorable ad campaign, but by what you do. In very simple terms, a brand is the consumer’s perception of your product or service. I believe, unless you have millions of dollars (like Nike), branding is often over-promoted as a small business marketing strategy. But it is critical that your business or service has a brand (i.e. what people think of your business/service).

Branding begins with creating a positioning statement. In the last few years it’s become more popular to create “vision” and “value” statements. I prefer to use the word “positioning” instead, but they are all the same in principle.

In every case you are trying to define what your customer can expect when they deal with your company. A good positioning (vision or value) statement should form the basis for all decision making in your company. While it may seem odd to spend time developing one simple statement, everything you do from service enhancements and new products, personnel decisions, training and advertising (using a slogan or theme) will be more successful if everyone is working toward the same "positioning" in the consumer's mind.

SHOULD I DO MARKET RESEARCH?

DEC 06

How important is research? (Carolyn, Ashland)

THE COACH: This is one my pet peeves. I believe research is extremely important, but it is one of the most under used marketing tools. Market research provides information you can use to make smarter decisions and your ROI (Return on Investment) usually exceeds the cost of the research.

Proper market research will help you: 1) Determine how to target your marketing campaign; 2) Identify opportunities in the marketplace; 3) Explore what you are doing wrong as well as what you are doing right; 4) Identify your customers' needs; 5) Uncover problems with your business that may not have surfaced otherwise; and 6) Evaluate your success with measurable data.

I’m not sure why small businesses don’t use more research. It’s probably because they think it is expensive, but today’s it’s not that expensive. You can start with secondary research, by going online and searching for associations or companies that have already done research on your market. Major media outlets (magazines, newspapers, broadcast) may have also conducted reader studies that will help you. Finally, you can join others in doing “syndicated” research where you find information on several companies.

WHY DO GOOD BUSINESSES CLOSE?

JAN 07

Why do you think a high-end clothing store couldn't make it in Medford?
(Bill, Central Point)

THE COACH: I would prefer not to speculate on their specific marketing strategies since I wasn't involved. But following up on my previous column on research, one of the challenges facing any company is understanding the difference between demographics and psychographics.

Businesses usually start by defining their target market by demographics - age, income, education, etc. But over the past three decades something happened to these well-defined markets. Older people started showing up at rock concerts listening to senior citizens (Mick Jagger turned 62 in 2006). Staid CEOs started buying Harleys. Generation X kids started listening to Tony Bennett records!

Today, how people perceive themselves defines their lifestyle and how they spend their money. This is called psychographics – exploring the personal reasons people want a product or service. Lifestyle choices are far more important than age, income and education in determining what people will buy and use.

When developing your marketing plan you need to define your prime audience based on lifestyle. What do they like to do? How do they spend their money? Yes, Southern Oregon certainly has enough folks with the income to afford high-end clothing. But do they choose to spend their money that way? As a millionaire friend of mine told me when he moved to Medford years ago, "I spent my life wearing a suit and tie and I don't plan to wear one again."

HOW CAN I DEVELOP A GOOD MARKETING PLAN?

FEB 07

We're having trouble developing a marketing plan. Do you have any tips?
(Tom, Ashland)

THE COACH: It's best to take a hard look at your business prior to writing a marketing plan. One of the simplest (and most used) tools for this is to conduct a SWOT analysis. While this may sound like an urban police action, SWOT simply stands for: Strengths, Weaknesses, Opportunities and Threats.

Strengths describe the internal attributes of your company that are within your control. What do you do well? What resources do you have? What advantages do you have over your competition?

Weaknesses are factors that are within your control and detract from your ability to obtain or maintain a competitive edge. Which areas might you improve?

Opportunities focus on things outside of your business from which you hope to benefit. Opportunities may be the result of market growth, lifestyle changes, positive market perceptions about your business, or your ability to offer greater value that will create more demand.

Threats include factors beyond your control that could place your marketing strategy, or the business itself, at risk. These are also external – you have no control over them, but you may benefit by having contingency plans to address them.

By comparing your internal strengths and weaknesses to external opportunities and threats, you will gain valuable insight into what you need to include in a marketing plan to maximize the marketing potential of your business. For more detailed information, Google “SWOT Analysis” or e-mail me at (Mark@dennettgroup.com) and I will send you a chapter on SWOT from my new book, *Powershift Marketing*.

DO SUPER BOWL SPOTS WORK?

MAR 07

Why would anyone spend \$2.5 million on one TV spot on the Super Bowl? Do you think anyone got their money’s worth? (Tom, Medford)

THE COACH: Many, many years ago when I was head of advertising for a major US airline, I remember buying a Super Bowl spot for a million dollars. I’m still wondering if it was worth it. Fortunately, if you bought a spot on the local CBS station, KTVL, in the Super Bowl it wasn’t that expense (actually it was pretty cheap when you look at the ratings).

When national companies advertise on the Super Bowl they are using a strategy called “Big Event” media. The theory is when people associate you with a major event (the Olympics, The Masters, The World Cup, etc.) you get “elevated” in their minds to a major player – a company with credibility in your market segment. You can also reach millions very quickly. Instead of taking months (or years) to build consumer awareness and credibility as a big time player, you can do it in seconds.

Of course, if you are already a major brand (like Nike, Coke, etc.) not being there can hurt your major player image. That’s why you often only see two types of advertisers willing to roll the 2.5 million dice; segment leaders, and new companies that want to be leaders.

Does it work? If you have a great commercial, it can. Personally, I didn’t think any 2007 commercial hit a home run. I rather liked Blockbuster’s “endangering a mouse” spot since it did focus on the value of web access, which is critical to their survival against Netflix. Did you have a favorite? If so, e-mail me and tell me why. Perhaps we can continue this discussion based on what makes a great commercial.

HOW CAN I BUILD WEBSITE TRAFFIC?

APR 07

I’m trying to build traffic to my website and I keep hearing the term SEO. What is this? (Mark, Ashland)

THE COACH: SEO stands for Search Engine Optimization. It describes any effort to increase (optimize) traffic to your website. Why is SEO important? Because research shows that the vast majority (70% or more) of people searching online want to click on natural (“organic”) listings rather than sponsored listings. What’s more, research shows that 60% of searchers click on one of the top three organic listings.

Search engines like Google send spiders (called bots) to your website all the time to bring info back to them, so they can index your site in their database. When a person does an online search, Google then shows them what they “believe are the most relevant” sites.

They base their evaluation of your site on the amount of content you have and the keywords within the content, plus whether other authoritative sites are linking to your site. Whether you do it yourself or hire an outside firm, as I shared in an earlier column, the principles for building traffic remain the same:

1. Make sure your webmaster creates a crawler-friendly site architecture with plenty of content, and understands how "bots" work. More content, the more relevant you appear.
2. Make sure all content is easily searchable by inserting keywords in to your text that will appeal to people searching the web on a subject that relates to your site.
3. Ask other websites to link to your site - targeting authoritative sites that best meet a searchers' interest.

The ultimate goal of any SEO effort is to help search engines do a better job of ranking your site higher. Every search engine has guidelines you must follow. You can see Google's online: <http://www.google.com/webmasters/guidelines.html> .

HOW IMPORTANT IS ADVERTISING?

MAY 07

I'm starting a new business and I really can't afford a major advertising effort. How concerned should I be? (Tom, Medford)

THE COACH: You should be very concerned, but not because you can't advertise. Most new businesses fail because they are under capitalized, not because of lack of advertising. The new business simply runs out of money before it becomes profitable. What other decisions are you making right now based on finances? The challenge of under capitalization is often made worse because you may equate advertising with marketing.

Real marketing is a four step process. Step One is knowing what your market needs. Step Two is creating a quality product/service that meets those needs. Step Three is delivering that product/service consistently, day after day. Step Four is using the tools of marketing (public relations, advertising, sales promotion, etc.) to bring attention to your business. Many businesses are facing a marketing challenge because they ignored steps one, two and three. The business was created without having a keen understanding of the consumer and what they wanted. So, the business didn't create a product that had real value. Then the business lacked the discipline, skill or systems to deliver the product consistently. So, by the time they got ready to advertise, they had lost the battle.

I've been having the paper and stations produce my ads for free. They're OK, but are there any tips for getting better material? (Dianne, Medford)

THE COACH: Usually you will be better off hiring a graphic designer, production house, or ad agency for one basic reason: media folks are not in the ad business. They are in the business of selling ads. Most offer creative services out of economic necessity, so they tend to be ad factories. I'll never forget my first college job as a rookie producer for a Eugene TV station. I had spent the entire afternoon creating a spot for a local supermarket. I was very proud of it. When I showed it to my boss he said "Good job, but what about the other five spots we need to air tomorrow? When I finished around midnight, I knew that quantity was more important than creativity. But in-house staffs can create memorable ads. I've seen some great work and I've always admired them for what they do on shoestring budgets.

If you want any creative team to do great work, you need to provide three things: 1) Time – great ideas percolate in the brain. Don't expect memorable work on Monday, if your spot airs Tuesday. 2) Freedom – don't micro-manage the process and insist your name is mentioned three times, your logo is a certain size, or some other meaningless "ad rule" you've heard. Let them have fun and use the most powerful tool in advertising: imagination. 3) A Simple Message – most people try to jam way too much into an ad or spot. I've found that starting with a "Creative Brief" is the best way to provide input to creative teams. E-mail me and I will send you the chapter dealing with "working with creatives" from my book, *Powershift Marketing*. Mark@dennettgroup.com).

How important is it to have a logo, and should it be a prominent feature in every ad? (Randy, Medford)

THE COACH: A strong logo can help build your brand, but it is almost never as important as you think it is. You may have spent a ton of money developing it, and you may love it, but most people that see it don't care. Having an ad that presents a compelling consumer benefit in the headline, memorable copy, and a clear call for action are more important than having a big logo. In fact, some ad research supports the theory that ads may be more memorable if someone doesn't immediately know who sponsored them; so the consumer has to read your ad to find out.

Making sure your ad reflects your brand and your positioning in the marketplace, is far more important than the size of your logo. Take a look at Nike, one of the today's most recognizable logos. The "swoosh" is never really big in any of their ads. What is prominent is the promise of their brand (i.e. if you are passionate about your sport, we share your passion, and we have a product that will bring out your best.) Bottom-line: Having a unique brand look and feel to all your advertising is far more important than the size of your logo.

WHAT IS WEB 2.0?

SEP 07

I recently attended a conference and the internet gurus were all talking about the advent of Web 2.0. What is this? (Susan, Central Point)

THE COACH: In the internet dark ages (a few years ago), most businesses' initial websites were just electronic brochures. Then businesses entered the information age, focusing on content and making their sites more interactive (online ordering, web specials). Based on broadband connectivity, Web 2.0 refers to a perceived second generation of web-based communities and services (video blogging, podcasting, video galleries, etc.) that allows for social networking and encourages people to create their own web content. Think MySpace, Facebook or better yet, YouTube, which creates no original content. They simply provide a space for your videos. Travel Oregon, the state's travel division, just teamed up with GoSeeTell to launch a Web 2.0 networking platform for their travel site, www.GoSeeOregon.com.

At this point, Web 2.0 has limited marketing value for small business because little is known about which population segments are eager to use Web 2.0 technologies. Pew Research, a respected independent research firm, has developed a typology of people's relationship to information and communications technology. Two key findings from this study:

- 23% of Americans are heavy, pragmatic tech adopters – they use gadgets to keep up with social networks or be productive at work. Mostly likely, these folks are under 35 years old.
- 49% of Americans only occasionally use modern gadgetry and many others bristle at electronic connectivity. Think baby boomers.

The Bottom-line is, if your customer is young and connected (broadband) using Web 2.0 technology makes sense. But for most of us, it is exciting, but not a powerful business marketing tool. Yet. If you would like a copy of the Pew Study, e-mail me and I will send you a copy.

HOW CAN I IMPROVE CUSTOMER SERVICE?

OCT 07

I think our customer service really needs improvement. Do you have one basic tip for improving customer service? (Pat, Central Point)

THE COACH: The short answer, hire the right people. People deliver service, businesses don't. Great customer service has to be managed, and it has to be based on knowing what has value to your customers. If you're serious about improving your service, I would get all your employees involved in a "Moment of Truth" audit.

One of the early gurus of customer service was Dr. Karl Albrect. In 1981, he did a study of SAS to find out how the airline went from being rated the worst airline for customer service, to the best, in one year. He discovered that good customer service doesn't just happen. It is the result of a series of "moments, where you can either exceed or not exceed your customer's expectations. Dr. Albrect labeled these "Moments of Truth." By managing these moments, you can significantly improve service.

Let's take an example of having a doctor's appointment. The first moment of truth is calling the office to set up the appointment. Is the phone answered promptly, or are you sent to phone jail (my term for totally automated phone systems)? If or when you get a real person on the line, does he/she sound welcoming or rushed? On the day of your appointment, can you easily find a parking spot or have employees taken all the good ones? Are the grounds and entrance around the office well maintained? If they can't keep the plants alive, what can you expect as a patient? When you are in the waiting room, are magazines current or are you expected to enjoy a vintage edition of Time? And speaking of waiting, is the business respectful of your time? Get the picture?

Way before you actually see your doctor, there are dozens of "moments" that create your impression of how much your physician wants and cares about your business. Remember, everyone in an organization is involved in creating a great customer experience. So start by having a meeting with your employees and exploring your moments of truth. Then work at developing the systems and employee attitudes needed to exceed your customer's expectations in every moment, every day.

SHOULD WE CUT MARKETING IN A BAD ECONOMY? NOV 07

I work in real estate and we're debating the wisdom of cutting back or expanding our marketing effort in a slow market. What do you recommend? (Julie, Medford)

THE COACH: Welcome to an age old question. It's impossible to answer this in a brief column, since the answer to your dilemma requires an in-depth analysis of your place in the market, your profitability, and the resources you have. I've developed a simple quiz that might help you analyze your options. If you would like a free copy, e-mail me (Mark@dennettgroup.com). But let's explore some options.

To grow a business in any economy you either increase your share of the market (marketshare) by taking business away from competitors, or you expand your market by attracting new people into your market. When Wal-Mart opens a store in Eagle Point, they are trying to expand their market. When Apple cuts the cost of their new iPhone, they are trying to increase marketshare (hard to expand the market because almost everyone has a cell phone).

It's been my experience that many market leaders (the larger firms) often respond to a downturn by immediately cutting costs. With less sales volume, they try to hold profit margins by reducing all costs, especially advertising, which they view as an expense, not an investment.

In this situation, if you are not the market leader, you may be able increase your share of the market by investing in advertising. Of course, you have to have the financial resources to do this and it is critical that this investment be strategic in nature. You don't just want to spend more money doing what you did in the past. You want to look at under performing niches in your market or new markets you can exploit. Plus your ads must be benefit driven. Remember, you are trying to convince people to spend money when they are nervous about spending. The right media and the right message are essential.

Of course, if you are a market leader, your challenge is - are you willing to give up marketshare or give up new markets? If you have fast moving, savvy competitors, you shouldn't cut back. On the other hand, being the biggest doesn't guarantee you a profit. It may be time to re-think how you do business.

WHAT IS THE KEY TO PLANNING A RETREAT?

DEC 07

We're going to be holding a one-day retreat to develop our next year's marketing plan. What's the best way to conduct these kinds of sessions? (Jeff, Ashland)

THE COACH: In general, I always recommend that you try and get a professional facilitator to conduct these sessions, especially if you can find one that has experience in your industry or knows your company well. I think a facilitator is critical if you have strong personalities or employees that like to dominate the session. When selecting a facilitator, don't hesitate to ask for references.

The other thing I would recommend is to run your session in reverse. Don't start the session with a review of your past performance. This will always limit your vision of what you think you can accomplish in the future. As I remind people in my seminars, "Great visions create great futures." Don't limit your vision by reality at first; the goal of any planning session is to empower everyone to open up and explore possibilities.

Once you have a potential vision of your future, then reviewing your current performance and your problems and opportunities makes sense. As I mentioned in an earlier column, the SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis is a very effective tool.

The last goal of your session should be to create buy-in and a timeline to accomplish specific tasks. Make assignments and set measurable goals. A day of discussion and debate won't go anywhere unless you make participants accountable for their future. Remember, you make your own reality.

2008

CAN MARKETING IMPACT A BAD MARKET?

JAN 08

While I found your slow market quiz interesting, don't you think most businesses are so tied to the economy that marketing can't really do much to change the market? Carol, Medford. (John, Medford)

THE COACH: Fortunately, you don't have to change the market, you just have to change how you react to it. Yes, just as in a good economy, when a rising tide lifts all ships, in a slow market you may have to adjust your expectations. But the majority of small businesses that fail are victims of self-inflicted wounds, not victims of a bad economy. As you embark on a new year, I would encourage you to keep four things in mind:

1) Keep Your Focus – When business is slow, it's easy to start chasing revenue, instead of making sure revenue finds you. Discipline is a critical tool in today's market. A written marketing plan and planning sessions are tools for keeping your focus. Focus is like location in real estate. The three keys to marketing are focus, focus, focus.

2) Don't Squander Your Most Important Asset – If you are losing money, you should be able to make more. If you don't have the right people, you can replace or train them. But you

can't replace time. It is the most important business asset you have. I know of two great businesses that are entering the market months behind their projected opening dates. Not only did they have to spend more of their capital getting open, they missed generating income in those months. Regrettably, they will never get this time back. It's gone, and the opportunities that may have been available in the past few months may be gone, too. So whatever you do, do it now. Speed in decision making is critical.

3) Keep Learning – “What you know will never be as important as what you WILL know.” In my seminars I use this phrase to introduce the idea of constant learning. When was the last time you went to a conference? Do you have a file filled with internet, newspaper and magazine clippings with ideas? If you want your business to grow you need to invest time every week in learning something new.

WHY IS YELLOW PAGE ADVERTISING SO EXPENSIVE? FEB 08

Why is yellow page advertising so expensive and is it still worthwhile?
(Mary, Central Point)

THE COACH: For a lot of companies, it was never worth it. It is expensive because since the first directory was printed in 1886 most businesses have made this ad decision based on fear; they were afraid of not being in the book or losing their position. But don't throw out your walking fingers yet! While yellow page advertising won't CREATE need or desire for your product or service, it can be an excellent tool for FULFILLING that need. For a product or service (like a plumber, painter, car mechanic, lawyer, assisted living community, new tires, etc.) many older people still turn to the yellow pages to find it.

The key marketing question you need to ask yourself is: how much money am I willing to spend to CREATE need and to FULFILL need? These two different advertising strategies require different media. For example, let's look at lawyers.

How do you CREATE a desire or need for a lawyer? Run a two-for-one special? Seriously, it's tough to create a need for a lawyer before you need one. But if you are in an auto accident or in a legal dispute, and you want a lawyer, you are very likely to go to the yellow pages to find one. So, before you buy a yellow page ad, you need to determine how much you want to spend “creating need” and “fulfilling need.” In some cases, yellow page advertising is so expensive you have little left for creating need; so you are running a one-dimensional ad program.

The other challenge is, what book to use? For years the only profitable business for many phone companies was their phone directory. The high cost of the traditional phone company directory (DEX, SPRINT) led to a host of low-cost competitors. If you are inclined to use several books, use different phone numbers in each book (they can all auto forward to your main number). Then by reviewing your monthly phone bill, you will know what book(s) are doing the best at delivering your customers. Next year, cancel the weakest ones and re-direct to media that will create need and desire.

Finally, look for a yellow page company that has made a major commitment to the internet, especially if you are trying to reach Echo Boomers (18 to 29 year olds). These folks probably don't own a land phone and couldn't put their hands on a phone book; they “Google” everything. We have seen the future and it will be here for all of us in less than ten years.

I know you've shared internet marketing ideas in the past, but I am still struggling to build website visitation. (Brian, Ashland)

THE COACH: You're not alone. With literally billions of websites, getting people to visit your site must be a major focus of your marketing effort today. Let me review the basics again.

1) Organic and Paid Search - As mentioned in an earlier column, when you type a word into a search engine you will see two groups of listings: **Organic listings** are shown because the search engine believes they deserve to be there. Search Engine Optimization (SEO) refers to the process of trying to improve your "organic" search by using keywords in your page titles, Meta tags, headings, and body text, as well as expanding site content and increasing links to your site. **Paid listings** – often referred to as Pay-Per-Click Advertising (PPC) – are shown because someone paid to be there. Your listing/text ad shows up to the right or above the organic search results. You pay only when someone clicks on your ad.

Research shows that 70% of web users turn to organic search first, but 30% use paid search, so both are important. Paid search can be effective if you choose the right words and you manage it. It's easy to set up a paid program, just go to Google, Yahoo or MSN and click on their advertising link. Improving your organic listing (SEO) can be much more time consuming, but it is certainly more worthwhile. Many people outsource this job.

2) Blogging – If you don't have a blog, you need to create one now. It is one of the most used marketing tools today (107 million blogs and counting) A blog (web log) is a website where you share information in chronological order (think of it as a daily diary). Most blogs provide commentary or news on a particular subject. The ability for readers to leave comments is a feature of most blogs. While no one has explained to me (in laymen's terms), why adding a blog can improve your organic search listing, it does. Google has made it really easy to create a blog. Simply go to: www.blogger.com and you can have one up and running in 20 minutes. But a blog requires that you keep adding to it on a regular (weekly or daily) basis.

3) Banner Advertising. This is what comes to mind when people think of web advertising. It's like running a display ad. However, click-through rates (people going to your site for the banner using a hot link) will probably be less than 0.3%. So you can generate a lot of impressions," but converting these impressions into website visitors can be tricky.

4) More ideas – Affiliate programs, advertising in e-mail newsletters, networking in online communities, viral marketing campaigns, creating joint venture arrangements, the list of online marketing ideas grows daily. For a complete recap email me (Mark@dennettgroup.com) and I will send you (at no charge) the section of my book on internet marketing. Also Dr. Ralph Wilson, founding editor of Web Marketing Today, has a great free newsletter that I highly recommend. (www.wilsonweb.com).

On the Super Bowl I noticed that a lot of the spots were humorous. But I don't see much humor used in local spots. Why? (Mark, Medford)

THE COACH: Humor is one of those high risk, high reward, advertising decisions that most local clients like to avoid. There is no question that a funny commercial can be memorable when done right. But writing and producing a funny commercial can be very tricky.

For example, one of the best, Wendy's 1984 "Where's the Beef" TV spot was created by Joe Sedelmaier using an unscripted ad lib. When senior actress Clara Peller looked at the massive bun and the small patty, she forgot her line, so the gruff Peller exclaimed, "Where's the beef?" This memorable line became a catch phrase repeated in television shows, films, magazines, and other media outlets. So, if you feel lucky, go ahead and try humor, but keep in mind the two big challenges with humor in advertising:

1) Does the humor enhance or get in the way of your message? The "Where's the Beef" commercial is a great example of humor enhancing the product benefit. Wendy's offered a much bigger burger than the competition, so the humor focused on the difference. But often humor is just thrown in as an attention getter and doesn't have anything to do with the product benefit. Go Daddy commercials come to mind. Funny yes, but they really don't have much to do with online domain registration. Of course, since Go Daddy uses the approach - again and again - it becomes the "brand" and it works. Another example of this is the Geico caveman commercials. In fact, Geico is very unique in its use of humor. They not only use the cavemen, but they have two totally different campaigns that use humor. Talk about risk takers!

2) Your commercial will offend someone. Humor has always been in the eyes (and ears) of the beholder. So, no matter how funny you think something is, someone, somewhere, will probably find it inappropriate. So, just be ready for those calls and letters.

Finally, if you want to try humor, radio is a good place to do it. Radio really deals with the "theatre of the mind." Great voices, music and effects can help you create a humorous situation, for a lot less than TV.

WHY SHOULDN'T YOU EDUCATE THE PUBLIC?

MAY 08

I heard your presentation at a non-profit conference last year. It was great and you were explaining why you shouldn't try to educate the public. Can you explain this concept again? (Jeff, Ashland)

THE COACH. Speaking to groups is part of my coaching practice, so I'm glad you enjoyed my talk. When I assist non-profits with advocacy marketing, I always begin with explaining the importance between the educational and marketing model.

Most non-profits believe that if the public knew what they knew, the importance of their mission and the critical role they play in solving a community need (like hunger, drug use, etc.), the public would support them. This approach is based on the educational model: "We need to educate the public. We know more than they do. We will tell them the facts. Once they know what we know, they will support me."

Unfortunately, there is simply no research or evidence that if someone knows or understands what you know, they will "agree with you." Every day I see well-meaning non-profits fill their appeals and communications efforts with tons of facts and details in an effort to educate the public. Forget it. In some cases, facts and figures can actually fuel people's opposition to your cause.

In the marketing model we don't start with the belief that people need to be educated. We're not even very concerned that someone agrees with our premise. The goal is to find out what is important to the public. What is their hot button? What benefit will appeal to them? Remember, everyone is driven by self-interest ("what's in it for me"). So, forget about educating and work on marketing.

I have a whole chapter (with plenty of examples) in my book on this subject. If you will e-mail me (mark@dennettgroup.com) I will be happy to send you a copy at no charge.

WHAT IS A WEB LANDING PAGE?

JUN 08

I've been working on my website traffic and I've read about creating a landing page? What is this and do I need one? (Fred, Prospect)

THE COACH. One of the mental shifts you need to make with internet marketing is to understand that, unlike your brochure, your website is not lineal. People don't have to start on page one (your home page). A landing page is a web page you create to support a specific marketing campaign. Visitors reach it when they click an online ad or on a search-engine link. This allows you to have a special "intro page" that is more appropriate to these visitors.

I use this technique on every ad for my client the Southern Oregon Visitors Association (SOVA). When SOVA runs an ad in *Sunset Magazine*, instead of featuring the URL of the SOVA home page (www.SouthernOregon.org), I create a landing page with a unique domain name (URL): www.SunsetOregon.com. Not only can SOVA keep track of all visitors that come from that ad, but they can highlight the businesses that were featured in the ad (with links to their sites). Visitors can easily go from the landing page directly to the SOVA website. In essence, SOVA has created a new home page for these visitors.

Landing pages are either reference or transactional. The SOVA Sunset landing page is a reference page. It simply presents information that is relevant to the visitor. A transactional page is one that wants visitors to complete a transaction. SOVA is currently running a campaign (www.winSouthernOregon.com) in San Francisco that uses a transaction page. Visitors can enter a contest on the site, which allows SOVA to capture names and addresses for future marketing. A visitor that takes an action is referred to as a conversion. The efficiency or quality of the landing page can be measured by its conversion rate, the percentage of visitors who complete the desired action.

If you are running a pay per click (PPC) campaign, your landing page can be designed to measure the effectiveness of different online ads. To track clicks you simply add some characters to the landing pages domain name (URL) that you use for each ad. Talk to your webmaster and he/she will show you how to do this.

IS EMAIL AN EFFECTIVE MARKETING TOOL?

JUL/AUG 08

I'm thinking of starting an email newsletter, but I get way too much email as it is. Do you think email is an effective marketing tool? (Chris, Medford)

THE COACH: Yes, I think email and e-newsletters can be very effective. In fact, there are several e-newsletters that I get each week that I find really valuable (MediaPost Publications). But that's the key: Newsletters need to provide information that has real value to your subscribers. And you must have an "opt-out" feature that allows people to unsubscribe to your publication at any time. Setting up an e-newsletter program is easy. Check with your ISP (Internet Service Provider) to see if they offer the service. There are also plenty of online resources. One of the most popular is Constant Contact (www.constantcontact.com). Of course, most people today are overwhelmed with email. That's one reason why "snail mail" has returned as a good marketing tool.

Chad White, editor-at-large of the Direct Marketing Association's Email Experience Council (EEC) recently outlined a few tips for getting control of email in a popular e-newsletter that I receive. Here are few of the EEC tips that I think are the most important for getting control of your email:

Take Action. Too many people simply store emails in their inbox. Always take one of four actions: 1) Delete/Archive: If the email requires no action, then either delete it or archive it for later reference. 2) Reply: If you can quickly respond, do it, so you can delete or archive the email. 3) Forward: If there's someone else that should respond to the email, forward it to them. 4) Set a Reminder/Add to Calendar: If the email requires action at a later date, set a reminder.

Respect Other People's Inboxes. Don't CC people unnecessarily and don't reply to all if the reply is only relevant to one or two of the people on the email. Also, make it easy for people to act by using descriptive and specific subject lines: "FYI:", "Reminder:", "Urgent:", and "Action Needed:" to help recipients quickly understand if action is needed.

Organize Your Inbox. Set up rules so that emails that you get regularly from a particular sender (such as newsletters and alerts) are automatically routed to a particular folder and kept separate from your normal flow of emails. Reserve your inbox for incoming mail and messages that require action now.

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Moderate Your Inbox Exposure. Email can be interruptive, so give yourself time to focus on other tasks. Set your email program to check for new messages once every half-hour (or whatever time interval works for you). Turn your email off periodically to give yourself uninterrupted time to work on projects.

Protect Yourself. Keep your anti-virus and anti-spyware software up to date to avoid becoming part of a botnet. According to the EEC, the vast majority of spam today is created by botnets, which are networks of computers that have been taken over by hackers for a period of time and used to send spam.

IS A WEBSITE REALLY THAT IMPORTANT?

SEP 08

We are a small paving company and we don't have a website. We have a yellow page ad, but is a website really that important to us? (Starr, Bend)

THE COACH: Starr, I'm surprised how many small businesses still don't have websites. A JupiterResearch LLC study found that just 36% of small businesses have sites. Today, a website is like a phone number, it is absolutely critical. Internet search engines are now the new yellow pages. That's why you see all the yellow page companies moving dramatically into online listings and trying to sell you overpriced online services.

If someone "Google's" you - types your name into a search engine - and your site doesn't come up on the first page, you are in trouble. You might appear via a third party service, such as an online yellow page site or local ads run by Google and Yahoo, but you don't want to rely on others to deliver you business. While these ad services are valuable, in essence they are controlling how you will be seen by millions of potential customers. Also, while their ad charges may be reasonable now, watch out. Decades ago travel agencies didn't want to invest in their own computer systems so they were happy when airlines said they would. Airlines started providing these systems free with just a modest transaction fee. As soon as these systems controlled 98% of all travel bookings, airlines started to charge whatever they wanted and they cut commissions too. Travel agencies had no recourse (and still don't).

Creating a website involves: 1) Getting a domain name, 2) Designing your website, and 3) Finding someone to "host" your site - your website needs to be on a computer "server" that people can access via the web.

If you can afford it, hiring a local web designer or firm to help you with these functions will give you a far better website, especially when it comes to SEO (search engine optimization). E-mail me and I will give you a list of some of the best, but you can do it yourself. You might want to start by talking to your teenager. They probably have a page on a social networking site (Face Book, My Space, etc.) and can help you create your business site.

There are also millions of web based services that can handle all three functions. Just type in "Creating a Website" via a search engine and you will find more than 17 million entries. Many of these services say they are free, but realistically, you will probably spend around \$5-10 a month to create and maintain your site (unless you want advertising on your site).

Your first step is to obtain a domain name. This is a must. A domain name allows you to have a distinct "address" on the web. Just go to www.GoDaddy.com and you can quickly see if a domain name is available. If it is, you can instantly have it by charging it to your credit card. Cost will usually be less than \$15 a year.

Now, it's time to create your website. I've been testing some of the most popular "create your own websites" - www.freewebs.com and one that godaddy.com offers via Google called Website Tonight. If you can create a word document, you'll find it easy to design and build your own site. Using freewebs.com I created a website for a non-profit that I work with in less than 45 minutes. So get started, business is waiting for you! By the way, the **Wall St. Journal** ran a special section "How to Create a Successful Web Site For Nothing" on August 11th that had more great tips. You can go online to get a copy (<http://online.wsj.com>).

HOW CAN I EVALUATE MEDIA OPPORTUNITIES?

OCT 08

Based on the media calls I'm getting, there seem to be more and more media opportunities. How do I know which ones I should consider? (Bill, Medford)

THE COACH: I've always thought that you could judge the economy by the MCI - the "media call index." When media sales calls increase, you know the economy (and ad sales) are hurting.

As I mentioned in one of my earlier columns (May 2006), the first thing you should do when evaluating any print media is to determine its cost per thousand. Cost per thousand, referred to as CPM, is a key tool for measuring the cost efficiency of print media. CPM tells you the cost of reaching every thousand people that may see your ad. Think of it as an Annual Percentage Rate (APR). You wouldn't shop for a mortgage without comparing APR's. You shouldn't shop for an ad without comparing your CPM to other print opportunities.

You determine CPM by dividing the cost of your ad by the circulation (number of copies printed). For example, if an ad costs \$350 and it reaches 35,000 people, your CPM would be \$10 (\$350 divided by 35 = 10). If you bought an ad for \$700 and it reached 120,000 people, your CPM would be \$5.83 (\$700 divided by 120 = \$5.83). So the \$700 ad is actually a better buy than the lower cost ad because it reaches more people at a lower cost per thousand.

However, you shouldn't buy ads exclusively on CPM costs. You may need to pay a higher CPM to reach a specific market that is important to you. But CPM certainly should be the starting point for evaluating any print opportunity.

There are two other tools/techniques I would add to the CPM test. The first one is to determine how well the media reaches your target audience. Now this "assumes" that the media has research to determine their reader profile and you know who your target audience is (your best customer). These are two BIG ASSUMPTIONS. I am constantly amazed how many media have no real reader or viewer research, and how many businesses simply don't know who is their core audience. That's why my research division (DCG Research) stays busy these days. In a tough economy, investing in research can really pay for itself. In study after study we've conducted, the old 20-80 marketing rule often applies; 20% of your customers buy/control 80% of your business. The better you know your customer, the better you will be able to select the best media to reach them.

Finally, in looking at a media opportunity you want to evaluate the media's track record. Are they a new publication, or do they have a proven record of delivering a quality audience? A simple way to determine this is to call current advertisers (you will see their ads in the most recent issue) and ask how successful the media has been for them.

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Last thought, you should avoid brand-new media unless they provide you with a significant discount that reduces your CPM. Also, don't make a multi-issue commitment. This is always a gamble. You might be buying a new media winner, but you could also be supporting a publication that won't find an audience.

WHY ARE MY NEWS RELEASES NOT WORKING?

NOV 08

With marketing dollars tight, we've been trying to generate more publicity about our company, but our press releases haven't been working well. Any tips? (Jim, Ashland)

THE COACH: Don't call it a press release. Today's "press" could include online, broadcast, cable as well as the traditional press (newspapers and magazines). In fact, you may find that blogs and small social networking web sites may be a more powerful PR tool than traditional media.

Second tip: Pick up a copy of the AP Stylebook. Journalism has some important style differences from everyday writing. The Associated Press Stylebook and Libel Manual is the bible for working journalists. The stylebook is available at most major bookstores (especially college bookstores).

Third tip: Make sure you have "hard" news to share, something of real value to the public. Most releases I see are simply "puff" pieces. Remember, media will only run stories that they believe have value and are of interest to their listeners/readers. Also, don't expect your news release to run verbatim, except in rare cases. Reporters are professional writers. More often than not, they will use your release as "background" and will contact you for an interview. That is why showing contact information (before the story, not after it) is critical.

Fourth tip: You need to create a list of media contacts that will receive your release, and you need to get to know them. In addition to sending out "puff" pieces, this is the biggest failure of local PR efforts. Businesses don't research and develop a quality media list, they don't keep it current, and they don't invest time in getting to know what these people want news wise.

You can start developing your list by using Bacon's Information Inc. which is the leading media resource for up-to-date contact information. You can buy a directory (expensive), or most major libraries have it. Bacon's also has an online resource that allows you to develop a specific list.

Editor info is also available on most media web sites (click on contact us), in newspapers (usually on the editorial page), and magazines (usually adjacent to the table of contents). You may have also collected names at events or your staff may have given you some. No matter how you create your list, it's important that you determine how each media wants to receive your release – by mail, by email or by fax. If you don't know, call and ask.

If you are doing regional or national PR work, you can send your release out via a commercial wire service that will deliver you release to thousands of media within minutes. The two main commercial wire services are PRWeb and PRNewswire. They charge anywhere from \$100 to \$600 depending on how many media you want to reach and the length of your story.

Last tip: Make sure you know how to write a release. Email me and I will send you the chapter in my book that reviews the format and style of a good basic release.

QUESTION: I've never seen the economy this bad. What should we be doing to market our business in this economy? (Chris, Medford)

THE COACH: The short answer is to maximize your return from every marketing dollar you spend. But to do this you have to work "on your business," a concept I picked up years ago at a Brian Buffini real estate seminar. Brian used the phrase "working on your business, not in your business" to explain a simple truth. Most of us are so busy dealing with day-to-day business problems we spend little time exploring ways to improve our business. I'm a real believer in spending time every week working ON YOUR business. With less business, you probably have a little more time on your hands, so work on your business. Here are five things I recommend to get your started:

1. **Review All Expenses** - You have probably already done this. But did you do it with an eye to improving the customer experience and getting more return from your marketing efforts? Probably not, instead you simply looked at reducing expenses. I recently worked with a company that told me they were cutting business travel. With fewer customers, building a closer relationship with customers might be a good investment, not a bad one.
2. **Maximize Your Web Marketing** - The internet is the best one-to-one marketing tool available, so use it. The internet allows you to speak to people that are either searching for your product/service or that have used your product/service. If you don't have a website, get one. If you can't sell your product online, make it happen now. If you are not using Yahoo and Google ad words, Google analytics, and email marketing, you are simply not doing your job.
3. **Be Critical of Every Ad Dollar You Spend** - Track the results of every ad, TV spot or radio spot you run. If you are getting less response from your print ads, change your headline (90% of the power of an ad is in the headline). If your broadcast spots aren't working, change the message. Demand that your media rep provide you with research to show that your media buy is reaching your best customer.
4. **Reward Your Customers** - Right now, most businesses have fewer customers. That's why appreciating your current (and best) customers is absolutely essential. Launch a loyalty program (take a lesson from frequent flyer programs). If you don't know who your best customers are, spend money immediately on research (DCG Research, my research division, can give you some ideas for inexpensive research). You can't target your marketing and reduce expenses if you are wasting money reaching the wrong people.
5. **Spend Money Locally!** - Finally, 70% of our economy (Gross National Product) is driven by consumer spending. So, we have to do our part to stimulate our local economy. Our local market won't turn around until we start spending again. So, with prices at the pump moderating, go out and visit your favorite local restaurant again. Instead of big box stores and chain restaurants, spend a little extra with locally owned business that will pour all your money back into the local economy. Happy Holidays.

What mistakes do you think people make most often in developing an ad campaign?
(Judy, Medford)

THE COACH: Great question for a new year. As I start my third year as a columnist and I get ready to unveil my new marketing handbook, I want to thank everyone for reading my column and sharing your thoughts with me. Here are the five biggest ad mistakes I've seen in '08. Actually, I've seen these same mistakes for years (that's why I put them in my new book).

1. **"I don't watch that station, why are we on it?"** It is only human nature to believe that people read and watch the same thing you do. After all, most of your friends do. That's why they're friends; they share common interests and beliefs. But that may not be true of your customers. If you're 40+ years old and your customers are Generation X and Y (20 and 30 year olds), you probably don't share any common media habits. Yes, in some situations, you may mirror the media habits and psychographics of your target market. But in most cases, you don't. So, make sure the media provides research and rationale for their recommendations.
2. **"I think the logo should be bigger?"** As I shared in August '07, a strong logo can help build your brand, but it is almost never as important as you think it is. Yes, you may have spent a ton of money developing it, and you may love it, but most customers don't care. Having an ad that (1) presents a compelling consumer benefit in the headline, (2) has memorable copy, and (3) a clear call for action, are far more important than having a bigger logo.
3. **"I really like what this company is doing, let's do the same thing."** This may be my number one pet peeve. The essence of advertising is to make it memorable, to break through the advertising clutter that invades your world every day. Why would copying a competitor's ad approach (or for that matter, anyone's ad) be a good idea? Yes, you want to be aware of what competitors are doing and they may have a good idea. But what you want to do is learn from your competitors and try to create something fresh. If you insist on copying, then at least try to make it unique. For example, if they are doing testimonial style ads, your testimonial ads MUST look different. The challenge is how can you run ads that will stand out in a sea of similar ads?
4. **"I'm tired of this ad, let's change it."** Consumers never get as tired of your ads as you do. Again, it is human nature. If you are spending money advertising, you are hypersensitive to when your ad runs (appears) and when your competitor's ads run. So, you probably notice EVERY one of your ads. Also, you may have spent days or months developing an ad campaign, so when it launches, you may already be tired of it. Most companies change ads way before the public has noticed them. Rule of thumb, consumers need to see an ad 6-10 times before it takes a memorable spot in their brain (top of mind awareness). So, let it run.
5. **"We can't afford research."** As I've mentioned in several columns, why would knowing more about who buys your product or service, what they value, and what they think of you, be a bad investment? Every dollar you spend in research will make every dollar you spend in advertising work harder. In fact, many clients I've worked with have shifted money from

advertising to research, and once they use the research to develop new ad messages, they've found that their business increases, even with a lower advertising budget.

I'm please to announce that my new book "*Powershift Marketing - 101 Ways to Shift Your Company Into Hire Gear*" will be out this month. If you would like more information, please email me at Mark@dennettgroup.com. Happy New Year.

DO YOU HAVE MORE TIPS FOR A BAD ECONOMY? FEB 09

I liked your December column with tips about marketing in a tough economy. Do you have any more tips? (Leslie, Medford)

THE COACH: My soon-to-be released-book *Powershift Marketing - 101 Ways to shift Your Company Into High Gear* is filled with them. One of the tips I share is the value of constant learning. Your business is facing challenges today that are far different than those of a year ago. So you need to be constantly sharpening your skills and exploring new ways of doing business. Here are some ideas for winter reading that will make a difference in your marketing.

If you are involved in selling, *Secrets of Question Based Selling, How the Most Powerful Tool in Business Can Double Your Sales Results* by Thomas A. Freese is a must read. Freese founded QBS Research, Inc. in 1996 to promote his Question Based Selling™ system. While you may not be able to afford his customized training, you can read his books. He has written five, but I recommend starting with his original book. Go to his website for more information on all his books (www.qbsresearch.com).

Steven R. Covey's book *The 7 Habits of Highly Effective People* has been a top seller for nearly 20 years. This should be required reading for everyone in your organization. You can go to Covey's website (www.stephencovey.com) to discover his newest book *The 8th Habit: From Effectiveness to Greatness*.

For a different twist on marketing, I always recommend *Marketing Warfare* by Al Ries and Jack Trout. This older book applies military strategies to marketing situations. It is filled with real world examples (although some are a bit out-of-date). A 20th Anniversary edition was published in 2005.

If you are using, or thinking of using, e-mail as a marketing tool, subscribe to *MediaPost's Email Insider*. It's free, just go online to sign up (www.mediapost.com). MediaPost also offers a variety of other online newsletters that I find very useful.

Looking for something that will challenge your brand marketing beliefs? Pick up a copy of *The Brand Bubble: The Looming Crisis in Brand Value and How to Avoid It* by John Gerzema and Edward Lebar.

If you're internet savvy, it is easy to review numerous books online. Google has a new service: (www.books.google.com) that provides summaries. One of the more interesting websites is Business Summaries (www.bizsum.com). This paid service (\$79.95 annually) will

give you a free 30-day membership. It's a handy way to read summaries of various books quickly. Another website for finding good books is Quick MBA (www.quickmba.com).

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Finally, when you're ready to buy, go to your local book store. Let's help build local business. They may not have these books in stock, but they can easily order them (just give them the title and author). Also, don't forget your local library. Jackson County Library's online book ordering system is very handy. Do you have a favorite marketing book? Please share it with me.

HOW IMPORTANT IS BRANDING TODAY?

MAR 09

How important is a brand in a slow economy? We're thinking of changing our brand. (Bill, Ashland)

THE COACH: This is a perfect time to review your brand, since keeping your brand image consistent and strong is even more important in a slow economy. You can't afford to waste any money now, and a strong brand will make every dollar you spend work harder. But be carefully in re-branding.

Consider this example. If you are a high end restaurant and find your business is declining, you have to look at two possible causes. If the economy has simply limited the market for fine dining, then you may want to re-brand quickly as a more affordable eatery. If on the other hand, there is still a market for high end dining, perhaps you have failed to deliver. Your customers may not see the value in your brand. In this case, you need to refocus on your brand to increase your market share by improving your product, your customer service, and advertising. You would not want to re-brand, an expensive and cumbersome process, since you would lose the high end market.

One of the reasons people struggle with branding is that they don't understand the essence of a brand. As I outlined in one of my first columns (2006), a brand is the consumer's perception of your product or service. Your brand is not just a catchy slogan, your logo, or a memorable ad campaign. It is driven by what you do, not just by what you say.

As I tell companies in my branding workshops (I would be happy to run one for you), real branding begins with creating a positioning statement. If you don't have a clear positioning and a list of USP (Unique Selling Propositions), then taking full advantage of your brand is impossible.

Marketing experts and authors Al Ries and Jack Trout coined the word "positioning" in the 1970's to describe the process of "putting your company into the mind of your prospect." As they stated in their landmark book, successful branding starts with a positioning statement: **"A brief written description of the customer benefits offered and the value position to be occupied that makes your position clear and promotable."**

Most companies have mission statements, but few have a positioning statement. These may sound similar, but they are very different. A **mission statement** is you talking to yourself. It states why you want to be in business. A **positioning statement** is you talking to your consumer. It states why people should do business with you.

A positioning statement should form the basis for all decisions made in your company. While it may seem odd to spend time developing one simple statement, everything you do from service, products, personnel decisions, training, and advertising will be more successful if

everyone is working toward the same "positioning" in the consumer's mind. My new book has a complete chapter on branding.

CAN COOPERATIVE ADVERTISING WORK?

APR 09

We're a small restaurant trying to maintain our advertising during this downturn, but it is tough. Any ideas? (Chris, Medford)

THE COACH: Talk to other restaurants and consider developing a cooperative advertising effort that makes the "going out to dinner" market bigger for everyone; your share will grow too.

When I was head of advertising for a major airline, every time I ran a Hawaii ad our competitor (United Airlines) got calls too. That's because United was the market leader and had much greater "top of mind" awareness. If I ran Hawaii ads we would get some calls, but United would get even more. This made me a believer in cooperative advertising. I launched the first co-op Hawaii ad effort using money from all airlines flying to the Islands and the Hawaii Visitors Bureau. The campaign increased overall business to Hawaii and our business increased too, but I spent far less money. Almost every business can benefit from cooperative marketing - whether it's restaurants, retirement communities, banks, or airlines. The concept is simple, make the pie bigger for all.

As I've mentioned before, there are only two ways to increase business. You either increase your market share (the size of your piece of the pie expands by making someone else's smaller), or you make the whole pie bigger. If the overall market grows, then everyone gets more, in direct proportion to the piece of the pie they currently have.

Increasing market share always requires more money - you buy a greater share of the market by improving service (hiring more good people, improving training, etc.), increasing ad spending, or expanding and improving your product. But if you take your money and invest it with other people's money, you can make the entire market (pie) bigger without spending more.

The Southern Oregon Visitors Association (SOVA) has used this concept successfully for 25 years. They collect money from various tourism businesses to fund regional ads that increase overall awareness for Southern Oregon. So a business that is featured in a SOVA *Sunset* ad that costs \$10,000 saves 80-90% by using someone else's money to help tell their story to *Sunset* readers.

How do you set up these partnerships? You need to learn a few basic concepts that I'm going to cover in a new series of "**Breakfast Briefings with the Coach**" starting this month. These informal sessions will allow me to expand on ideas presented in this column, plus you can ask questions and I can address specific strategies for your business. These new Breakfast Briefings will be short (7:15 AM to 8:30 AM) so you can go about your day.

The first one, "**Building Profitable Marketing Partnerships**," will take place Tuesday, April 27th. Cost is \$20 (cash or check) and will include a light breakfast and materials. If you would like to attend, just drop me an e-mail (Mark@dennettgroup.com).

Twitter, Facebook, YouTube, blogging, it seems like there are endless ways to gain exposure online. I'm overwhelmed. Will these really help my business? Kathy, Medford.

THE COACH: Online options have not just grown, they have exploded. Millions of people are sharing information about products, services and brands online. Yes, exposure on a popular local website (consider using newspaper and TV station sites) or a positive online discussion of your product or service can increase your business. But you can't take full advantage of online opportunities unless you can answer two questions: 1) Who is your best customer? 2) Do you have time to manage an online campaign?

WHO IS YOUR BEST CUSTOMER? - I recently asked a building company to define their prime prospect for a subdivision (retirees, young couples, empty nesters, baby-boomers, families needing more space, locals, people moving to the area, etc.). They said "all." Regrettably, it was clear that they really hadn't researched their customer base. Yes, all segments may be important, but all their customers don't share the same media habits.

In a world overcrowded with media choices from online to phone books, if you can't clearly define your prime prospect in terms of demographics (age, income) and psychographics (lifestyle choices), you simply can't select the proper media to reach them.

Let's say you want to reach baby-boomers. Online social media is less important to them than the media they grew up with (newspapers, broadcast TV, magazines). An Ashland Home Net survey (they provide internet and TV service) revealed that 50% of their TV customers are 61+, 75% are over 50 and 75% don't watch TV or movies online. Their favorite channels were ABC, NBC, CBS, and CNN.

Younger consumers, 25 and under, who grew up in a world of cell phones, ipods and computers watch far less TV. They spend more time connecting online, downloading music and videos, getting their news, and twittering away. Even consumers that use the same media, like the internet, use it differently.

Research shows that 90% of baby-boomers use the internet for e-mail and 70% for research (looking up information). Younger consumers use it for e-mail and research too, but they also spend hours playing games and using it to network. Regardless of age, heavy internet users are more likely to find something online than using a phone book or reading a print ad.

DO YOU HAVE TIME TO MANAGE AN ONLINE EFFORT? - A successful online marketing effort requires daily attention from a staff person or consultant. You must constantly monitor this online world and experiment with different approaches, since this world literally changes by the hour. But everything begins with knowing the customer you want to reach.

It looks like the economy is stabilizing. Are there any marketing steps I should take to make sure I'm part of the recovery? (David, Ashland)

THE COACH: Yes, place even more effort on meeting the needs of your customer. I'm going to depart from my regular advice format, to share a personal view on why the American economic model failed. I can even identify the moment when we broke it. It was back in the late 80s.

Until then, most big businesses made money like small businesses, by meeting the needs of their customers. If you did a good job of meeting your customers' needs you made a profit. You then shared some of the money with the team that made it possible - customers, management, workers and owners. Making money was tied to meeting customer needs. Life was simple. Then everything changed.

Instead of rewarding people for creating and delivering products that had value to the customer, overnight big business decided to tie compensation to making only one member of the team happy: stockholders. Executives began to be rewarded with stock options, so they became owners, too. This shifted the economic equation away from a small business model (very few owners/stockholders), to a big business model (they have plenty of owners).

Now, if the stock price went up, owners and managers were happy. It didn't matter if your product or service had any real value to consumers or if your workers were fairly compensated. Raising stock value was the only corporate value. Wall Street and management simply found that it was far easier to manipulate a stock price than to create a customer for life.

The moment corporate America tied corporate incentives to stock prices, the real value of any company – that of having a satisfied customer - declined. Big business talked about being customer-driven, or wanting a customer-focused culture, but it was just talk. They no longer lived in the same world as small business.

Ninety-eight percent of all businesses in America have fewer than 500 employees. In Jackson County, 95% have fewer than 100 employees. This is the backbone of our economy. Most of these small companies don't have thousands of stockholders, so they live in a world where meeting the customer's needs is still the currency of success.

Corporate greed, or lack of regulations, are not the problem. Greed is a fundamental building block of capitalism. Regulations will come and go depending on political leadership. The real problem is that big business lost sight of the critical balance that has driven business success for more than 200 years - a balance between the four stakeholders in any business: customers, workers, management, and owners. If the economy is going to grow, we need to return to this balance, and it begins with a real focus on meeting customer needs.

The companies that are doing the best right now are listening to their customers and responding to their needs. They understand that Oregon's economy is driven by relationships; we used to call it the handshake economy. Build those relationships and you can prosper in ANY economy.

We're trying to write a new brochure and everyone is writing and contributing. The results are not good. Why does everyone think they can write? (Susan, Central Point)

THE COACH: Karen Fronek, Make It Happen Marketing, asked me a similar question recently. We both agreed that getting the words right is often a bigger challenge for clients than getting the look right. Most people know they can't "draw," so they hesitate sharing every one of their design ideas. But everyone thinks they can write. Heck, we all wrote essays in school didn't we? Here are some steps that Karen and I discussed that should help you get the words right.

STEP ONE - THE CREATIVE PROCESS IS A SOLITARY ONE - If you give the same information to ten people and each one writes a brochure, you will get ten different versions. Now, they may all work, but they will all be different. Blending them together usually results in a hodgepodge of styles and approaches that won't enhance readability.

Although you should get ideas and input from everyone, the actual writing of the piece should be assigned to one person. Find a creative writer, in your company or outside, whose style of communicating and thinking appeals to you. Then trust their expertise. Let them make the creative decisions rather than the "wannabe" writers in your organization. Our egos and personal belief systems can get in the way of creativity. Often we get too attached to our way of thinking. Relax. Give the writer the freedom to create.

STEP TWO - WRITERS NEED TO DO THEIR HOMEWORK - A professional writer will ask you a lot of questions before attacking the keyboard. What is the goal of your marketing piece? Who is your audience and what are their self-interests? Advertising copy works best when each reader believes the message was written specifically for them.

STEP THREE - DON'T WORK COPY TO DEATH - I'm one of those writers that likes to rewrite and rework a piece. I always think that if I just had a bit more time I could make it better. Well, I've learned that this isn't necessarily true. In fact, trying to get every word perfect can kill originality and freshness. Also, remember, you're not writing the great American novel. Turning a phrase is not as important as turning people on to the benefits of your product or service.

STEP FOUR - EDITING AND WRITING ARE NOT THE SAME - Creative writing is different than editing, but you need both. A good editor not only dots the i's and crosses the t's, but reviews copy for simplicity and clarity.

STEP FIVE - DETERMINE THE DECIDER - Finally, have one person in your organization sign off on the final draft. If you allow your final copy to be "tweaked" and reviewed by dozens of people, the final draft will lack a central point of view. Remember, few great movies or books are written successfully by a committee.

Have you missed a column in the past? I have just published all my *Ask The Coach* columns (February 2006 to August 2009) into a booklet that you can download for free. Just e-mail me. Mark@dennettgroup.com

I just sat through a terrible PowerPoint presentation. We're developing a new sales presentation, do we have to use PowerPoint? (Mark, Medford)

ANSWER: No. In 2006 I was invited to do sales training for Microsoft in Seattle. They only had one request. I couldn't use PowerPoint! Their team had been "power pointed out." While I have seen some excellent PowerPoint presentations, I've also seen ten times as many bad ones. While I generally tell my clients to leave the PowerPoint home, it can be a wonderful AV tool if you follow some simple steps from my book (Chapter 22 - Selling is Dead).

Practice, practice, practice - This doesn't mean just reviewing your slides on your laptop. It means setting up everything in a real world environment (from your laptop to projector to remote control) so you are fully aware of the technical side of your presentation. All too often you may find yourself without any technical support at your location.

Use PowerPoint as it was designed - Like any slide show, PowerPoint should enhance your presentation, not recap, or replace it. The best PowerPoint presentations help illustrate or share something that requires dynamic visuals. A video, an illustration, photos, a clever review of key points - these are all good uses for PowerPoint. Using it to show a written outline of your presentation or every word of your presentation is a waste of your audience's time.

Be familiar with your location - I make it a rule never to use any kind of AV unless I can get into the room/hall ahead of time to set up and practice. No screen, no power, can't dim the lights, the list of potential disasters are almost endless.

Bring your own equipment - Always bring your own equipment, including an extension cord, and a 3-pronged adapter. Even if they have all the equipment, bringing your equipment allows for a Plan B if something doesn't work.

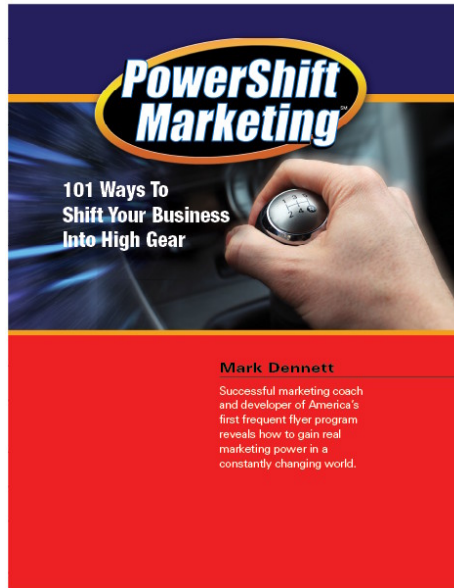
Have a Plan B - Finally, make sure you have a Plan B if there is a snafu. I always make color prints of my PowerPoint slides that I can hand out if there is an emergency. Often I place them into a flip binder that I can use, just in case.

Have you missed a column in the past? I have just published all my *Ask The Coach* columns (February 2006 to August 2009) into a booklet that you can download for free. Just email me. Mark@dennettgroup.com

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BOOK PREVIEW

2010 Edition



When I was learning how to drive a manual shift car, my dad (who raced Model A's while growing up in Arizona) explained to me the advantages of powershifting. As my dad told me, in full-throttle shifting you don't let your foot off the gas and only partially depress the clutch as you go from gear to gear. This helps the car accelerate faster and gives you an advantage over other cars that let off the gas and use the clutch.

The word powershifting perfectly summarizes my approach to small business marketing. Simply stated, regardless of the size of a company, the firms that have the most success

marketing their goods and services don't take their foot off the gas. They are able to **POWERSHIFT** their business into the next gear and accelerate past the competition.

“POWERSHIFT MARKETING requires a company to embrace change, understand where their customers are heading, and respond to these changes immediately.”

This book is all about speed, change, and action. If you can be the first to recognize where your customers are going and respond to it before your competition does, you'll be a marketing winner. This is not an earth-shattering observation, but it surprises me how few companies do it well.

Some firms recognize change quickly, but can't respond to it. This may be due to ego (“I built this company and I know what is best,”), a bloated corporate structure, or a belief in the past (“What we did worked and we're not about to change it.”)

Other firms constantly change directions chasing trends or new market segments. They don't have the discipline to analyze markets and focus their resources on key opportunities.

The whole idea behind this book is sharing numerous small **POWERSHIFT** actions you can take every day to improve your marketing by constantly moving ahead. Don't take your foot off the gas!

A TOOL FOR SMALL BUSINESS

Any business can use my **POWERSHIFT MARKETING** tips; however, this book was written specifically for small business owners who out of necessity have to do everything on their own. Every day they wear many different hats. By reading my book and following its tips, small business owners can equip themselves with the basic knowledge and tools needed to get the most out of every dollar they spend on marketing.

A "GREEN" MARKETING BOOK

This book was designed to be a renewable resource. With its purchase, **you get a one-year subscription to my online update service and blog**. When I update a chapter, I will notify you that you can download it for FREE.

How important are these constant updates? They are critical if you really want to **POWERSHIFT**. With a world changing faster and faster, you need to constantly be on top of new trends, and information in marketing books can quickly become out of date. Just ask yourself: Are you facing the same marketing challenges today as you did 12 months ago?

INSIDE THE BOOK

This book is divided into five gears, plus reverse. Each one explores a different aspect of shifting a business into high gear using **POWERSHIFT MARKETING** tips that you can use immediately.

1ST GEAR - GETTING OFF THE LINE **THE PRINCIPLES OF POWERSHIFTING**

This section introduces the principles of gaining real marketing power in your business: Embracing change, eliminating beliefs that hold you back, understanding the advantage of a speedy response, and recognizing the power of a satisfied customer. I also review the traditional building blocks of successful marketing.

If you have a formal marketing education, this section will be a refresher. If you've never been inside a marketing classroom, you'll gain just enough knowledge to be dangerous. That's why I wrote the other sections.

2ND GEAR - GETTING UP TO SPEED **EXTREME CUSTOMER LOYALTY** **AND YOUR PUBLIC FACE**

As the developer of America's first frequent flyer program, I believe creating extreme customer loyalty is the bottom line of any marketing effort. You have to focus on building customers for life, or all you are doing is creating shoppers.

Positive public relations goes hand in hand with superior customer service. There's nothing better than a positive media story about your business. On the other hand, there may be nothing more challenging than having someone post an online video or negative story on their blog. A positive public face doesn't just happen. It requires a focused and planned public relations effort.

3RD GEAR - CRUISING ALONG **THE NEW ART OF SELLING**

The old adage "Nothing happens until someone sells something," is still true. Unfortunately, selling as we know it is dead. The new art of selling requires a lot more than just asking for the business.

4TH GEAR - PASSING OTHERS **MAXIMIZE YOUR MARKETING INVESTMENT**

No matter what you do to get your message out, it costs money. But it doesn't have to cost any more money in order for your advertising to work better than your competitor's. 4th Gear is all about maximizing your return on your marketing investment. This section covers:

1. ADVERTISING STRATEGIES

From directing a multi-million dollar ad effort for a major U.S. airline to running a successful advertising agency working with clients on a much smaller scale, I've collected all the winners and losers here - strategies that work in the real world.

2. WEB MARKETING STRATEGIES

With an industry that changes every day, you will need my updates to keep this section current. But here are the basics for making the web work for you.

3. DIRECT MARKETING STRATEGIES

Snail mail is not dead. In fact, a well-designed direct mail campaign can still be a very powerful marketing tool. Even mass e-mailing and large-scale cold calling programs can work, if you know a few secrets.

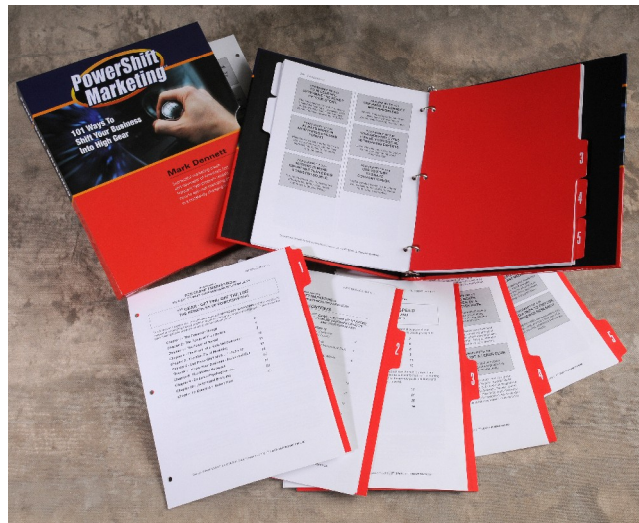
5TH GEAR - RUNNING ALL OUT STREET FIGHTING

Here are numerous quick and easy guerilla marketing ideas. They're not sophisticated, so don't expect a big name advertising agency to share these with you, but they're working every day for small businesses.

While all the **POWERSHIFT MARKETING** tips I share in this book will work for non-profits, at the end of 5th Gear, I add a few tips that non-profits should remember when launching a marketing effort.

SHIFTING INTO REVERSE CLOSING THOUGHTS

At the very end, I also cover steps to take if you need to shift into reverse at anytime.



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