

CREATIVE COMPOST

Where Great Marketing Ideas Grow

Vol. II, No. 3

THE FIRST MARKETING COMMANDMENT: KNOW THY CUSTOMER

A wise marketer once said, “Customers are your only true source of funding. Everything else needs to be paid back.” You may be rolling in more business than you can handle right now, but remember...planting the right marketing seeds today will help you weather next month’s inevitable dry spell.

No matter whether you’re in retail or business-to-business, your customers are still typical consumers. And those consumers purchase a mix of four things:

- Your product
- The service that comes with it
- Your personnel skills
- Your company’s image

Our job as marketers is to offer customers the mix of product, service, salesmanship and image that best suits them. But how do you know what suits them? Spend some time asking yourself the following:

- Why does a customer do business with me? What “problem” am I solving?
- What would he change about my product or service if he could?
- What motivates her to buy? More importantly, to buy from ME?

The answers to those questions are the essence of marketing — building a mental profile of that “perfect” customer, then finding the most efficient way to reach the

largest group of people who fit the profile.

Time and again, it’s been proven that 80% of your sales come from 20% of your customer base. So why not aggressively pursue new customers who fit the profile of that golden 20% — the people who are most likely to buy from you?

Preaching to the converted

How to boost sales
volume from your
current customers

Are you wringing every possible piece of business from your active customer base? It’s infinitely easier to get more business from people who know and trust you than to go out and find new customers. Building your existing business is also highly profitable because there’s no advertising expense involved.

Try these three methods to increase your income from your current customers:

1. Referrals — You’d be surprised how many companies never bother to ask for referrals. An easy and painless way is with a brief survey, which lets you gather valuable information and referrals at the same time. Ask your customer: What did you like best? What can we do to

improve? Who do you know that would benefit from our (insert your product or service here)?

2. Upselling — Don’t wait until after closing the deal to increase the income you get from active customers! During the sales process, offer them an irresistible opportunity to upgrade or add a related item to their order. To sweeten the deal, dangle a special price that’s only available if the customer accepts on the spot. You’ll be surprised how receptive a customer is when he or she is already in the process of spending money.

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Have a marketing tip to contribute? Email to:
compost@fahouryink.com

I Spy: Today's Competitive Reconnaissance

Nosing around for competitive information has gotten remarkably easier thanks to the Internet. Better yet, much can be had for little or no cash outlay. But where to start?

Your competitors' websites — Seems like a no-brainer, but you'd be amazed how few companies actually study the competition's stuff. Download sales materials, and check out press releases or news articles. Even job postings can give you advance warning on a potential new product or strategy. Now, go to your own site and see what information you may be inadvertently revealing!

Online newsgroups — No time to monitor the plethora of newsgroups out there? Use *topica.com* to search for specific names or keywords. And while you're there, do a quick search on your company name to see what's out there about your firm — good or bad.

Pay-for-play — Try research sites like *hoovers.com* for a public company's financials and corporate officers, plus details on litigation, patents and more. Want the goods delivered right to your inbox? Register up to 10 company names and *companysleuth.com* will send you relevant financial news and information on a regular basis.

One caveat: the Internet's anonymity can encourage the spread of misinformation from those with an axe to grind, so be sure to cross-check your facts before making any major strategic decisions about your business.

USP: What Makes Your Business Unique

Here's a surprise...consumers don't shop for lowest cost. They shop for highest value. And the product that gets taken home is the one that delivers the most value — either intrinsic or through specific product benefits.

How your product delivers these benefits is what makes your business unique. And the first step to identifying and polishing those benefits is called a USP, or *Unique Selling Proposition*. Think of your USP as the 10-second "sound bite" you use to introduce yourself to everyone you meet.

Example: *I own an art gallery. Versus: I provide homeowners with the emotional, tactile and financial benefits a piece of fine art will add to their lives.* What sounds more compelling to you?

How do you come up with a USP? Look for your best customer, then design a position that matches his or her wants and needs to an advantage only you can offer. This will serve as the basis for all your future marketing communications.

Consistency is key

Customers gain impressions of your product from both the obvious and non-obvious. Your job is to make sure you're not only sending the right message, but that every aspect of your marketing

consistently reinforces it. Consciously or unconsciously, what do customers use to build their impressions?

- Your company name and logo.
- The location of your store or office.
- How your staff dresses or answers the phone.
- The colors used on your letterhead and the paper it's printed on.
- Packaging, such as the box you ship in or the shopping bag you provide.
- Your newspaper ads — not only what they look like or how they read, but where and when they appear.

Consider the cutthroat cosmetics industry. Head to any department store, and more than a dozen competitors are vying for your attention, one right next to the other. How does one brand manage to brilliantly cut through the clutter? Their salespeople wear white lab coats — a simple, subtle way to position their product as somehow scientifically superior in the fight for youth and beauty.

Is your product high-end or mass market? Exclusive or approachable? Geared to dummies or experts? Whatever your positioning in the marketplace, make sure the same message comes through loud and clear on all fronts.

Two-minute sales toolbox

Met every objection on your last sales call, but still couldn't quite close the deal? Next time, try this approach...

"Diane, would you find it helpful if I asked a customer of mine to call you and share their experience with this product? They won't try to sell you, and you can ask as many questions as you'd like." Of course, be sure to have that satisfied customer willing and ready to place the call before making your offer.

And the Survey Says...

- ❑ A quarter of a million people have a webcam running in their home at any given time.
- ❑ Record numbers of convicts are rejoining the outside world. An estimated 600,000 ex-cons will be released from prison this year.
- ❑ There are now more pets than children in American homes...and 40% of owners admit to carrying Boots or Rover's photo in their wallet.
- ❑ Fifty percent of today's college students expect to be millionaires by the time they turn 40. Good luck with that.

Tradeshaw tip of the month

How can you attract booth traffic, create a useful giveaway and have time for a two-minute sales pitch — all at the same time? Luggage tags! While you're chatting with a prospect, use a laminator to turn his or her business card into a durable ID tag with your logo and web address on the flip side.

Just strolling the show floor without a booth? When you get back to your office, put all the business cards you collected to good use. After capturing the names in your database, turn the cards into luggage tags and return to key prospects — a simple way to make your "nice to meet you" follow-up note really stand out from the crowd.

Putting a newsletter to work for you

When was the last time you mailed something to a customer that wasn't an invoice? Newsletters are a terrific way to not only keep your name in front of current customers, but to market to new prospects as well.

A well-written, regularly issued newsletter can build a strong bond among your product's users. It can also be used to:

- Establish you as an authority in your market.
- Communicate the success of your company to a potential customer.
- Pique the interest of the reporter covering your industry for the local paper.
- Keep your employees up-to-date on company news.
- Alert current customers to the full range of products and services you offer.

The more your customers know about you, the more comfortable, confident and loyal they'll be — especially when a competitor comes calling.

Preaching... (from p. 1)

3. Backend selling — Can you sell related goods or services to customers who have previously bought from you? If you don't have other products to offer, here's where strategic alliances or affiliate programs can come in handy. Look for vendors with complementary products or services and offer to package them with yours for a share of the profits.

The word for the day: RE-PURPOSE

So you've written an article for a trade magazine, participated in an industry seminar, or gotten some positive press coverage in the local paper. How can you make the most of it? Repackage and re-purpose content for maximum mileage!

- Frequently post new content on your web site — an electronic version of your newsletter or the results of a recent contest. Take advantage of the dynamic nature of the web and tweak your site regularly.
- Reprint positive articles and use for mailings, statement stuffers, tradeshow handouts, or for your sales force to hand out on calls.
- Run a small ad offering an audiotape of your latest speech as a "freemium" or giveaway to gather qualified sales leads.
- Group articles you've written into a booklet or "special report."
- Use names of contest entrants for your next postcard or coupon mailing.

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Where Great Marketing Ideas Grow
is published quarterly by:

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OFF THE BOOKSHELF

Looking for quick inspiration to pump up your customer service efforts? Pick

up a copy of *1,001 Ways to Keep Customers Coming Back* (©1999, Prima Publishing Company).

From bundling services to using incentives, authors Donna Greiner and Theodore Kinni have gathered engaging real-life examples of superior customer care – many easily adaptable to your own business.

For example, furniture retailer IKEA hosts “Storytime Saturday” during the busy holiday season. Children enjoy free storytelling sessions and refreshments, freeing parents to do what else? Shop ‘til they drop, of course.

The book’s key message is that creative, consistent customer service is not just for the big players. In fact, it’s the simplest way for smaller firms to build a powerful niche — and to keep customers coming back for more.

Re-thinking your business card

You don’t get a second chance to make a first impression – people form opinions within seconds. Your business card should insure a lasting impression, one that stands out from the stack.

Think of your business card as a compact brochure for your business. Its function is to introduce you, and to educate prospects about your business in a concise and compelling fashion. Copy, layout and color are key.

If your company name does not reflect the nature of your business, a tagline or unique selling proposition (*see p. 2*) is very important to the success of your little brochure. Why have people guess what business you’re in?

There are two sides to every card: the most underutilized space on a business card is the “other” or back side. This is the perfect space for added-value copy and marketing messages. You can use it to pose a provocative question; I have used “What’s your Stratedgy?” It could also contain a discount offer, trivia or a quote related to your industry.

Networking with your creative new business card will be a breeze – it will break the proverbial ice and do the talking for you. Why not start with a unique title? Envision the different reaction to these: Senior Sales Producer or Wily Ka-Ching!! Chief. If you need inspiration, try the job title generator at fastcompany.com/careers for unique and memorable results.

My own card is smaller than usual – always a conversation opener. I would caution, however, that you use care in creating oversized cards. If they don’t fit into a card file/holder/rolodex you may end up filed all right, in the circular – all that effort gone to waste.

Have fun, be creative but don’t forget to include key information like your website address and email. Remember it may be small in size, but your business card holds a lot of marketing power for your business.

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