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# Market Your Way To Success

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## Market Your Way To Success

By Kathleen Gage

**M**any people are under the mistaken belief that all they have to do is have a good product or service and the business success will miraculously happen. Nothing could be further from the truth. Granted, you do need a good product or service, but you also need to let people know your company exists. You must have a good marketing strategy.

**Marketing strategy** encompasses identifying customer groups, also known as target markets. Often, a small business can better serve their customers than larger competitors regarding customization, service, delivery time, and even pricing in some cases. However, larger companies have volume advantages, which can also equate to lower prices. It is important to know you cannot be all things to all people. You must analyze your capabilities and your limitations within those capabilities.

A key to success will be to analyze where you will be investing your marketing dollars. Far too many people nickel and dime themselves out of business because they didn't take time up front to evaluate where they are, where they have been and where they need to go. However, the flip side are people who are not willing to invest anything. They are penny pinchers to the point their business will suffer.

Marketing is a very complex subject; it deals with all the steps between determining customer needs and supplying them at a profit. Your marketing results can be

improved through a better understanding of your customers.

Factors you need to address are who is your market, why do they buy from you, what is your budget, what distribution channels will you use, how will you promote and what price will you charge?

### ***Key to success of your marketing***

- Success in your marketing will be higher if you focus your attention on solving your customer's problems. Far too often, companies spend most of their time focusing on how the customer can help them.
- Profitable sales volume is usually a better goal than just trying to get more sales. The problem with focusing only on more sales is if you have not determined your profit margins, you could actually be losing money with each sale. It is a better company goal than maximum sales volume.
- You have to determine the needs of your customers through market research. Then you must decide on specific markets to serve and determine what product or service will satisfy those needs.

**Market research** deals with obtaining good information about your market. There are a few ways to do this. One is to survey your current customer base. This is good, to a point. Your current customer base is only as good as your previous marketing and promotions campaign. So, although you may obtain great information from your current customers, there could be potential

customers out there who don't know you exist, or if they do know you exist, have not done business with you yet.

You could also hire a market research firm to gather data. The challenge with that for some small businesses is that it can be very cost prohibitive.

With good market research information, you can find out areas of great satisfaction by your customers, and areas of dissatisfaction that can be addressed.

**Target Marketing** is about focusing on a specific market and focusing your promotions, publicity and advertising efforts to that market. A reality is that owners of small businesses have limited resources to spend on marketing activities. Developing a more laser beam approach in what they are doing will be key for their success. As with many large companies, they have little room for error or wrong choices when it comes to investing their marketing dollars. Actually, large companies have little room for error, and yet, with the way some foolishly throw money into campaigns, you would think the opposite were true.

### **Market Mix**

Four primary areas you need to gain insight into are your products and services, pricing, promotion methods, and distribution.

### **Products and Services**

What are the specific products and/or services you provide? Can you explain your offerings clearly including features and benefits? Effective product strategies for a business may include concentrating on a narrow product line, developing a highly specialized product containing an unusual amount of service. You will be greatly benefited by gaining a clear vision of your product and service offerings.

### **Pricing**

Setting prices is about creating a balance between what you need to stay in business, make a profit and the market's perception of what your product is worth. Determining what to charge for your product is one of the most important things you must do prior to beginning a major marketing campaign. Fact is, if you under price your product or service, every sale you make could be costing you money instead of making you money. If you don't keep an eye on this, you may be in financial trouble long before you realize it. On the other hand, if you over price, you may not generate enough sales to stay in business.

A mistake many start-ups make is to charge the lowest price without evaluating if that makes business sense. A small business owner simply pulls a number out of the clouds, thinking that is what they want to make without having first determined all the costs of making the sale and doing business. Costs which include your fixed and variables.

If you undercharge your product or service may be perceived as low end. Additionally, you will have to sell more of a particular item to make up for the low profit margins.

**Promotion** is everything you do to let your customers know you exist. Promotions include advertising, events, tradeshow, brochures, sales letters, direct mail, press releases, web sites, e-zines, affiliate programs, premiums, samples, and product demonstrations.

## **Distribution**

How you decide to distribute your product or service will be based again on who your market is and what their needs are.

Distribution channels must be factored into your overhead costs and what you charge. Distribution channels will impact your marketing decisions. Some possibilities include retail outlets, hiring a sales force, direct mail campaigns including catalogs, telemarketing, the Internet, television and radio.

Your budget will impact some of your distribution decisions. For example, if you are a small business owner with very limited resources, it may not be feasible for you to do direct mail. However, you may find that by not doing direct mail you will be limiting valuable revenue streams.

Nothing is set in stone with marketing. What worked last year, may not work this year. With the use of the Internet there are even more options available. Your success will be determined by your ability to be flexible, open-minded, and educated as to who your market is and what your offerings are. You must know how you can match your market to your offerings in the most efficient, cost effective and quality fashion. Above all you must value your customers. An often forgotten, and yet extremely powerful, marketing tool, is your customer's level of satisfaction. When they are happy they tell others. What better marketing tool could you use?

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