



13 Tips

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To be successful and profitable, you must 'START' using the most effective marketing strategies possible within your overall marketing plans.

Less obvious, is the fact that you must also 'STOP' using the most ineffective, money-wasting marketing strategies.

I call them The 13 Costly Marketing Mistakes. While this list doesn't cover 'all' of the possible marketing mistakes, it does describe some of the most expensive, destructive and most 'common' made by many owners of traditional and home based businesses.

1. ONE-STEP MARKETING

The 'One-Step' marketing strategy is the most common marketing strategy used by most small business owners today. It's everywhere -- and it's a big money waster.

It consists of an ad, flyer or other marketing vehicle that simply 'announces' the business name, possibly lists a few basic features of the product or service and ends with an address and phone number.

The prospect is now expected to respond to this type of marketing piece by immediately purchasing the product or service.

Unless you are offering an extremely 'high-demand,' 'hard-to-get' product/service (an original Van Gogh painting for \$100, Super Bowl tickets, etc.) this marketing strategy 'almost always' results in little or no response.

This strategy totally disregards the 'psychological buying sequence' of consumers. It's very much like walking up to a stranger at a party and asking 'Would you marry me?' What do you think the response would be?

2. NOT KNOWING WHICH EFFORTS ARE WINNERS OR LOSERS

Not knowing for sure which of your marketing efforts are producing results and which are big 'money-wasters' is a guaranteed way to minimize your results.

Even new businesses are investing in up to a 'dozen' marketing devices at any given time. Not only are we talking about traditional media, like newspaper or Yellow Page ads but 'many' others that may not be as obvious.

These marketing devices are either contributing to your business profit or destroying it. Most business owners don't have a clue as to which is which.

If they did, they could easily guarantee increasing their profitable results by investing more in the winning devices and eliminating the money-wasting, losing devices.

3. NOT TELLING YOUR PROSPECTS WHAT TO DO

Expecting your prospects to 'know' exactly what you want them to do guarantees low results.

Never, never, never assume. Take a look at most small business ads and you'll see that the business owners are almost always 'assuming' that the prospect will know exactly what they want them to do . . . without telling them.

At the bottom of the ad there will be a phone number and an address. Usually nothing more. Ask one of these business owners what they 'wanted' the prospect to do after reading their ad and they will most likely reply, 'Buy my product! Isn't it obvious?'

The answer is a resounding 'No!'



For one, there is rarely enough information in the typical marketing piece for a consumer to make an 'immediate' buying decision. Therefore, that can't be the action expected from the consumer.

Second, the marketing competition for the prospect's consumer dollars is fierce. The prospect is usually exposed to dozens of ads for basically the same product/service. Obviously, he or she is not going to take 'action' on every single ad.

How do 'you' insure that they will respond to 'your' marketing piece and take the specific action you intended?

Certainly, not by 'assuming' that they will 'know' or 'figure out' what you want them to do.

In order for a business owner to tell prospects exactly what action to take next, the business owner must know what that action should be. Once you know the 'psychological buying sequence' the next expected action becomes obvious.

4. CALL FOR MORE INFORMATION

Closely related to mistake number 3, is the marketing piece that again simply 'announces' the business name, lists a few basic features of the product or service, ends with an address and phone number . . . and then asks the prospect to 'Call for More Information.'

One of the last things a prospect wants, is to feel dumb. What information should they ask for? Does this mean that the business doesn't have a brochure or any other literature? Are they going to have to take notes?? Will there be a test?

The other thing 'no prospect' wants is to feel pressured. Whether it's true or not, the average prospect 'assumes' that they'll get a 'high-pressured' sales pitch if they call. Most do not want to risk this pain.

Therefore, the 'Call for More Information' tag is almost always ignored.

While 'some' prospects may not have a problem responding to this 'vague' directive, the majority do. If you doubt this . . . try putting it at the bottom of your marketing pieces. You'll soon be convinced that few prospects, if any, respond to the 'Call for More Information' marketing mistake.

5. FOCUSING ON YOU INSTEAD OF YOUR CUSTOMER

It seems natural to tell your prospects about you and your company. We're proud of what we do and how we do it and we 'assume' that our prospects will be impressed and motivated to take action.

'We've been in business for 16 years...'

'We are an award winning, cutting-edge organization...'

'We are equipped with the latest micro-techno, laser-guided, nuclear-activated widget-gizmos...'

Too often these phrases evoke the following responses from prospects:

'So what?'

'Big deal.'

'Who cares?'



Please don't misunderstand. I'm not saying that your marketing materials shouldn't include background information about you and your company and/or specifications about your product/service. I'm saying that this should be 'supportive' information, not your 'primary' marketing message.

It's a costly marketing mistake to think that prospects 'care' about the same things you care about.

They rarely do.

However, they do care deeply about something entirely different. Once you know what that is, and you address it powerfully and clearly in your marketing, you will begin to draw prospects to you like a magnet.

6. NOT USING EFFECTIVE FREE/LOW-COST MARKETING METHODS

Ask the typical small business owner what marketing is, and he/she will probably reply, 'Advertising.'

What kinds of advertising?

'Yellow Page ads, newspaper ads, magazine ads, radio ads, television ads, billboards, bus cards, Val-Pak mailings, etc.'

While all of these advertising devices can certainly be a 'part' of a successful marketing strategy, there are also dozens of 'low-cost' and 'no-cost' marketing methods available to the small business marketer.

By simply discovering and applying these simple 'low-cost,' 'no-cost' methods, you will be able to significantly stretch the effectiveness and profitability of your marketing efforts.

It's relatively easy to produce 'profitable' results with a well-planned, tested and 'proven' marketing strategy. However, it's even easier to lose thousands of dollars by making 'any' of the following Costly Marketing Mistakes.

7. COPYING YOUR COMPETITORS MISTAKES

If 'everyone' else is doing it, then it must be the right thing to do. Remember mom's admonition, 'If everyone was jumping off a bridge, would you want to jump too?'

Look at the local, small business ads in any newspaper and you will find the same basic format, same basic message, same basic strategy (see Marketing Mistake #1). . . and the same basic results; little or no response.

We feel safe in the crowd. Safe doing what everyone else is doing. We also 'assume' that if it works for them, it can work equally well for us.

Unfortunately, a business's success is rarely from 'one' element in their marketing strategy. Their success is the result of 'many' diverse marketing elements; from their location, to their possible lack of competition, to their 'personality' and 'abundance or lack of' marketing aggressiveness.

But we rarely take all of these strategic elements into consideration when 'copying' our competitors. Copying a single marketing element from a competitor is like reaching into 'their' pile of puzzle pieces, pulling out one piece and then trying to make it fit into your puzzle.

It rarely works because your marketing puzzle is unique and each piece must fit 'perfectly' with all of your other pieces.



In addition, whatever success a competitor may be experiencing can often be from a 'few' of their less obvious or 'visible' marketing methods. Often the highly visible element (ad, flyer, brochure, etc.) is one of the least effective.

You end up copying the profit losers, rather than developing your own profit winners.

8. DIRECTING YOUR MARKETING TO EVERYONE

Directing your marketing to 'everyone' but to 'no one' in particular guarantees that your marketing will be ignored.

Many small businesses have failed to determine who their best prospects are, where those prospects live or how to reach them effectively and efficiently.

This is a critical first step in any successful marketing strategy. By skipping this step, they resort to running vague and generic 'one-step' ads in mass media, such as local newspapers, magazines, radio, television, cable, Val-pak mailings, Internet Web sites, etc.

Their 'hope' is that by presenting their 'generic' message about their business to the 'greatest' number of people, the result will be the highest number of sales. Wrong.

Unfortunately for them, effective marketing doesn't work that way. The fact is, in most cases only a small percentage of the readers/listeners/viewers of mass media will have a 'need' for your product or service at any given time.

Some business owners may have a hard time believing this, but nevertheless, it's true. 'Everyone' does not need or want your product or service.

By not targeting your marketing to your very 'best' and logical prospects, you are wasting most of your marketing dollars on people who have little or no interest in your product or service.

If there are only 100 'true' prospects for your product or service out of 10,000 possible readers of a publication, why would you want to spend thousands of dollars presenting your message over and over to the 9,900 non-prospects?

Yet, this is the method most small business owners choose because they don't know that there is a much more cost-effective and profitable strategy.

9. WASTING MONEY ON IMAGE MARKETING

A major marketing mistake made by many small businesses is pouring their marketing dollars into 'image' marketing. Some of their marketing pieces may be clever, even humorous.

That kind of marketing rarely asks prospects to take 'action.' The result? Wasted marketing dollars, vague ideas of who saw the marketing pieces and frustration.

Giant corporations like Pepsi or Nike are interested in 'name recognition' and a specific 'image' for their brands. Therefore, they spend 'millions' of dollars on creative, often fun marketing pieces designed to impress their target market with their 'image' rather than to generate a direct or immediate sale.

Obviously your image and name recognition are important to the success of your small business. But even 'more' important are immediate and steadily growing sales.

How can you determine if your marketing is primarily focused on 'image' marketing? It is if each of your marketing pieces don't ask for 'immediate and specific' action from your prospects.



This money-wasting and sales destroying marketing mistake is much more common than you may think.

10. GIVING UP ON YOUR PROSPECTS AFTER JUST ONE OR TWO FOLLOW-UPS

Effective marketers know that persistence and repetition are vital for success. But too many business owners spend a great deal of time and money attracting prospects to their businesses and then either follow-up with them just once, or, as incredible as it may sound, never follow-up with them at all.

Successful people in sales know that most of the sales are made after the seventh or eighth call. Few are made after just one follow-up call.

Your prospects have many reasons for not buying from you immediately.

They may not be ready to make a decision. They may have more pressing things on their minds. They may not feel comfortable enough with you, or trust you enough to buy right now. They may have more questions about your product/service, that haven't been answered. They may have information from you and 2-3 of your competitors and are trying to determine which company would be their best choice.

By following up repeatedly, you will have a dramatic advantage over your competitors, since few of them will follow up more than once. When your prospects are ready to buy, which could be one week from now, or six months from now, you will have a better chance of getting the sale if you are uppermost in their minds. You can only do that by consistently following up.

11. CHANGING YOUR MARKETING STRATEGY FREQUENTLY

Henry Ford once told an ad executive from his advertising agency, 'It's time for you to come up with a new ad campaign. We've been using this one for too long and I'm sure the public has to be bored to death with it.'

Ford was reportedly miffed to hear, 'But sir, we haven't even started running this campaign yet. The public has never seen it.'

Having seen the campaign presentations dozens of times, 'he' was bored with it. He wanted to see something 'new and different.'

You should never, never stop using something that is still working, because you, your employees or your friends are 'bored' with it.

In successful and profitable marketing you should only be listening to your 'customers' since they vote with dollars rather than opinions.

12. WAITING FOR REFERRALS TO MAGICALLY APPEAR

Word-of-mouth referrals are an extremely important element of any business's marketing success. But most small businesses are making a big marketing mistake by believing that those referrals will come automatically.

It's true that if you provide good service and your prices are competitive, you will probably get 'some' word-of-mouth referrals. But to generate an abundance and highly profitable level of referrals takes more initiative and effort.

Unless someone comes to us and specifically asks for our recommendation of a good dentist, doctor, veterinarian, insurance agent or auto alarm specialist we are probably not going to actively 'promote' these businesses to our friends and neighbors.



How often in any given year are 'you' asked to recommend a good dentist or auto alarm specialist? The chances are . . . not very often, if at all.

That's why expecting referrals to come to you . . . just by chance (as most small business owners do), is a costly marketing mistake.

The most 'Costly' mistake of all . . .

13. BASING YOUR MARKETING ON GUESSES AND ASSUMPTIONS

Basing your marketing strategy on 'guesses,' 'assumptions' or 'advice' from friends, relatives or business associates is a sure way to guarantee little or no results from your marketing.

'Guessing' at the elements of your marketing strategy is like trying to guess the specific sequence of numbers needed to open a combination lock.

Since each consecutive step is linked to the success of the previous step, one wrong guess destroys your chances for success.

Most people, including many small business owners, mistakenly believe that marketing is more of an 'art' than a 'science.'

Those of the 'marketing is art' point of view believe that anyone's opinion concerning marketing is just as valid as anyone else's.

In reality, marketing is very much a 'science' with specific principles, rules and 'quantifiable' results.

Because of this 'marketing is art' philosophy, most of what people believe about marketing is based on 'myths,' not 'facts.'

Show ten people two ads and ask them to select the one they think is the better ad. Nine out of ten will select the profit loser rather than the profit winner. Why? Because they are unaware of and don't recognize the marketing principles and strategies that make a powerful marketing piece a profit winner.

So they base their 'opinion' instead on such vague, subjective criteria as 'cleverness,' 'cuteness,' 'different and artistic look,' and the ads' 'fun/pun' appeal.

These criteria rarely have anything to do with generating maximum response but they have everything to do with wasting your marketing investment and destroying your potential sales.

The best way to develop a successful and profitable marketing strategy is to use the knowledge, experience and skills of someone who has already discovered the marketing approaches that 'do work' as well as the approaches that 'don't work.'

These discoveries should always be based on measurable results from objective tests . . . never subjective opinions or assumptions.