

BUSINESS INTELLIGENCE

REPORT

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Greater Maryville
Chamber of Commerce

Strategies and Trends for the Successful Business

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IDEAwatch

Tips for Growing Your Business

■ **Make this quarter your best ever by hyperfocusing** on one measurable priority, says Verne Harnish, consultant and creator of MIT's Birthing of Giants executive program. Not 75, not five, but one overarching focus for the next 90 days that removes a significant bottleneck in the business. One company needed to hire 16 specialists; another focused on doubling inventory turns; a third concentrated on its Google ranking. What about yours?

Source: www.fortune.com

■ **Create a Web page or PowerPoint slide that gets into your prospect's brain** by using the latest in neuromarketing research. First, place images on the left and text on the right. Items in the left field of vision are interpreted by the right hemisphere of the brain, which is better at assessing and processing images. Next, use neutral faces. The brain likes faces, but it prefers ambiguity. Check out the models in fashion magazines or cosmetics ads — few smile or frown. The face becomes a puzzle, and as a viewer's brain redoubles its effort to figure out the puzzle, it forms new connections to register the information. Finally, apply unique fonts, but within limits. New fonts are a novelty to the brain, but using more than two kinds and three sizes of fonts can hurt effectiveness.

Source: www.businessweek.com

■ **Can displaying art in the workplace reduce stress?** According to a study in *Environment and Behavior*, posters of abstract art with organic shapes can reduce work stress by 24% and anger by 21%. Look for pieces by Gregg Robinson, Paul Jenkins and Joan Miró. Their works are "more playful and curvilinear than geometric formations," says Byoung-Suk Kweon, Ph.D., the study's lead author.

Source: www.miller-mccune.com

MARKETING

Creating a Sure-Fire Marketing System

by John Jantsch

(This article originally appeared on American Express OPENForum.com.)

WHILE THIS MAY be hard for some business owners to come grips with — leaning instead toward the "marketing is a strange form of creative voodoo thinking" — marketing is not only a system, it may be the most important system in any business.

To understand how to approach marketing for your business, it may be helpful to understand my definition of marketing: Marketing is getting someone who has a need to know, like and trust you.

Now you can argue about what "like" or "trust" is in your industry, but now more than ever, this definition gets at the heart of the game you're in. Below you will find the seven core steps that make up the simple, effective and affordable approach to systematic marketing that I've developed after working with small businesses for more than 20 years:

1. Develop strategy before tactics. Most business owners take the "idea-of-the-week" tactical approach when a good marketing strategy is the most important aspect of any successful marketing implementation.

Before you decide on direct mail or a Facebook page, you must adopt and commit to a marketing strategy. All tactical decisions should be filtered through your strategy to see if they make sense or support the overall marketing strategy.

The concept of a marketing strategy may seem foreign or out of reach, but it's really little more than determining and narrowly defining your ideal client and creating and communicating some key point of differentiation. The challenge in this comes when business owners realize it means they can't be all things to all people, and saying they offer good service isn't a differentiator, it's an expectation.

2. Embrace the Marketing Hourglass™. Maybe you're familiar with

the marketing funnel concept — get as many prospects in the top of the funnel and choke a few through the small end. The Marketing Hourglass suggests that there is a logical path that each prospect should be led that starts with the large

Replace the idea-of-the-week approach to marketing with a solid system that produces real results.

end of a funnel, but as in an hourglass shape goes to work turning new customers into an expanding base of advocates and referral partners.

This approach starts and ends with a significant focus on the customer experience and requires special attention to the creation of systems and processes that move prospects logically along the path of know, like, trust, try, buy, repeat and refer.

3. Adopt the publishing model. Marketers today must commit to producing content much like a publisher might. Prospects expect to search and find large amounts of useful information on any subject or challenge.

Consistent production of content that builds awareness and trust, such as client success stories, testimonials and content that educates, such as blog posts, e-books and online seminars is a major component of the new marketing system.

4. Create a total Web presence. It's simply not enough to have a website and think you're really participating online. The majority of purchasing decisions made today involved some amount of research online. Today's business must be easily found online, easily engaged online and easily communicated with online. This requires a major focus on SEO and social media participation. Of course, this also means integrating your online presence and activity into every offline business function.

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■ **Boost local search rankings through the use of citations.** Citations are mentions of your business on Web pages that include your business name and either your address or phone number or both, but they do not actually have to link to your website. Links are like votes for a Web page, while citations are like votes for the information Google has about your business. The more often Google sees the same core data about your business, the more it trusts that information for its ranking algorithms. To see what citations you already have, go to your Google Places page, scroll down until you get to the “More About This Place” section. Want more citations? Start by looking at your competitor’s citations.

Source: www.marybowling.com

■ **Bonuses are important for motivating salespeople, but just as important** is how you structure the bonus plan, according to a new study by researchers at Harvard Business School and Yale School of Management. The research suggests that quarterly bonuses increase sales force productivity when combined with annual rewards, but monthly bonuses aren’t as effective. “In the absence of quarterly bonuses, a failure in the early periods to accomplish targets caused agents to fall behind more often...,” according to the researchers. Another finding is that top performers tend to dial back after meeting their quotas, so overachievement commissions are effective at keeping them selling.

Source: www.bnet.com

■ **Make a memorable impact at networking events** by telling your “inspiration story.” In brief, yet vivid terms, tell the story of the founding of your business. If you can do this in a personal and non-boring way, you can essentially talk about what you do and why you do it in a way that is simply letting people get to know you, rather than seeming like an obtrusive, poorly executed sales stunt. This method, in addition to spending the majority of your time listening intently to others and asking leading questions, can turn any social situation into one that can benefit your business.

Source: www.managernewz.com

The new status symbols: hipness and virtue

The ways in which consumers seek to flaunt their status has changed dramatically over time. In the 1950s it was about “keeping up with the Joneses” — amassing as much new stuff as your neighbors. Today everyone in the rich world has a washing machine, so people seek to advertise their hipness or virtue instead.

Rather than buying their clothes from predictable fashion houses, they trawl the world for exotic designs from Brazilian favelas or South African townships. They customize their purchases to express their personalities. For example, Bike by Me, a Swedish firm, allows you to choose the color of every part of your bicycle.

Possessions are plentiful; time is scarce. So there is cachet in being able to boast about the places you have been to and the things you have done. Savvy companies increasingly offer experiences as

a way of hooking customers. For example, Tiger Beer gives loyal drinkers access to concerts and gigs.

Others want to make it clear that they are deeply concerned about the world’s problems, so a growing number of goods are designed to convey this message. Toyota’s Prius hybrid car is not only green; it is also instantly recognizable as such.

Today’s status-conscious consumers have a weapon that their predecessors were denied — the Internet. Connectedness is now a crucial social signifier. The Internet helps you demonstrate your virtue by buying products from the farthest corners of the earth (if you are a fair-trade enthusiast) or from just around the corner (if you are a locavore). It also helps you make friends with other people whose interests match yours.

Source: *The Economist*, December 2, 2010

Mobile’s effect on brick-and-mortar shopping

Retail shopping may never be the same again — for customers or shop owners. As smartphone use proliferates, tech-savvy consumers are building high expectations.

Already, one in four consumers owns a smartphone and 48% of conventional mobile phone users plan to buy a smartphone in 2011, according to studies by IDC Retail Insights and Accenture. And mobile commerce is not just for twentysomethings. Adults ages 25-44 comprised nearly two-thirds of mobile shoppers.

Even more surprising, adults ages 45-54 were the most inclined to use their mobile information advantage. For

example, many consumers ask for a better price to match one they find on their mobile device while in the store. They also look up product reviews and expect to check store inventories. Most would prefer using their mobile device rather than interacting with a store employee for simple tasks. According to the Accenture study, 79% want to download coupons.

Large retailers are taking advantage of this trend by offering smartphone applications. Of those who downloaded an app, 90% found it “very useful” or “useful.”

Source: MobileCommerceDaily.com, November 29, 2010, and December 8, 2010

Local TV news most engaging and DVR-proof

A recently released study by Hearst Television shows that local television news is more effective in engaging viewers’ attention to advertising than other TV program genres and competitive media. The key attributes measured were levels of importance, emotional attachment, level of engagement in advertising and advertising effectiveness.

Approximately 49% of viewers ranked local TV news first as “... a major part of my daily routine.” Broadcast prime time dramas and sitcoms ranked second (47%) followed by broadcast network prime time reality TV (42%), cable network prime time dramas/movies (37%) and cable news (34%). A whopping 81% cited local TV news as the “most important” televi-

sion news source.

The largest number of respondents cited local TV newscasts as being the most effective medium for delivering awareness of products and services advertised during the programming.

What’s more, local TV news is also relatively “DVR-proof,” says the study. Only 17% of respondents cited having recorded local TV newscasts for later viewing, while 57% said they never, rarely or only sometimes fast-forward through portions of recorded local TV newscasts.

By contrast, 69% of respondents said they fast-forward most of the time or always through portions of cable network prime time dramas/movies.

Source: MediaPost.com, December 8, 2010

■ How can you get someone to “Like” your company on Facebook?

Based on surveys asking that same question, the overwhelming response is to offer discounts and promotions. But while promotions may get people to visit your Facebook page, it doesn't mean they'll necessarily click on the “Like” button. To do this, you will need to hide the discount or promotion until after they like you. This can be accomplished with a little FBML and HTML coding. Go to <http://bit.ly/gtj41Y> to learn how to do this or ask your Web developer for help.

Source: www.promotenews.com

■ Does your business qualify for the new health care tax credit?

In general, the credit is available to companies with fewer than 25 full-time employees with average annual wages below \$50,000 and the company pays at least half of the premiums for health insurance coverage. The credits are available for tax years 2010 through 2013 and for any two years after that. Through 2013, the maximum tax credit is 35% of health insurance premiums. For details and forms, go to <http://bit.ly/gzcONm>.

Source: www.smallbiztrends.com

■ **Be careful when using reviews and testimonials to promote your company online**, or you may run afoul of Federal Trade Commission rules. For example, employees and paid endorsers can talk up your company and products as long as they disclose their relationship with your company. The same goes for paying bloggers to review your products or giving bloggers free products for review. To help protect your business, create a policy to tell bloggers they must disclose any gifts or monies they receive. One of the most controversial rules involves liability: if you request that a blogger reviews your product, you may be subject to liability for any false or unsubstantiated statements made through the blogger's endorsement.

Source: www.marketingvox.com

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New small business loans approved in ‘minutes’

The Small Business Administration recently announced two new lending initiatives aimed at getting relatively modest loans to small businesses quickly.

The idea is to get loans under \$250,000 into the hands of small businesses efficiently. Applications are only two pages long and can be approved in anywhere from “minutes” to 10 days.

Big banks have complained that it often doesn't pay for them to spend time and resources administering a small loan. The SBA's new Small Loan Advantage incentive cuts the paperwork burden. Larger banks that are already so-called “preferred” lenders can make loans through its flagship 7(a) lending program up to \$250,000 and get them approved quickly by submitting a single-page credit memo.

Some 630 banks are preferred lenders and have the authority to approve loans independently. As with a normal 7(a) program, the loans are guaranteed at 85%

up to \$150,000 and 75% over \$150,000.

A second initiative, called Community Advantage, aims to get SBA-backed loans to underserved communities, such as minority-, women-, and veteran-owned businesses, as well as firms in lower-income or rural areas.

The program encourages borrowers to develop a business plan and work with advisors. Applications should be approved within five to 10 days.

Instead of banks, the three-year pilot program operates via alternative, community-minded lenders like Community Development Fund Institutions, nonprofit Certified Development companies and approved micro-lending intermediaries. These organizations haven't previously been able to access government loans through the 7(a) program.

Both programs are expected to be up and running by March 15.

Source: CNNMoney.com, December 15, 2010

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5. Orchestrate the lead generation trio. With a fully functioning lead generation system in place, a large portion of your leads can originate as referrals, but by building out your system with the addition of advertising and public relations, you amplify your efforts in each.

When a prospect comes into contact with your advertising message, reads about your new product in a trade journal and then gets invited to your educational workshop by their accountant, they've practically sold themselves.

6. Drive a lead conversion system. Most small businesses view marketing as an exercise in lead generation only, when the true measure of success is lead conversion.

The same systems approach that created a lead must be in place when a prospect wants to learn more. Simply having a well thought-out path that every new lead walks, a way to nurture and educate leads, and a proven process for orienting new clients can dramatically and positively influence that bottom line conversion results an organization experiences.

7. Live by the marketing calendar.

The scarcest resource in any business is time. There is always more to do than possibly can be done. Some people deal with this kind of overwhelming situation by simply shutting down and doing very little.

Marketing momentum requires consistent work over the long term and this is best handled by the creation of a marketing calendar. The annual marketing calendar is a great planning device for campaigns and product launches, but it's also a great tool to schedule out the many projects that you know must be done in time.

By creating monthly projects and themes, weekly action steps and daily marketing appointments, you keep the focus on marketing heightened and the building of your marketing system in full production.

So, what would happen if you started to view your marketing as the system described above?

John Jantsch is a marketing consultant, creator of the Duct Tape Marketing Consultant Network and author of *Duct Tape Marketing* and *The Referral Engine*.

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