

BUSINESS INTELLIGENCE

REPORT

Provided for members of the
Greater Maryville
Chamber of Commerce

Strategies and Trends for the Successful Business

November 2011

IDEAwatch

Tips for Growing Your Business

■ **The secret to a successful direct marketing campaign** is to create a compelling offer and sell that offer. But an offer is not the same as selling your product. An offer is a lead-generating device such as a free trial, sample, book, consultation or white paper. Explain the benefits of the offer and that there is no risk or obligation. By focusing your message on selling the offer, you gain qualified respondents to sell the real product to later.

Source: www.ithinkbigger.com

■ **What's the best way to reward employees for a job well done?** Don't guess — ask them, according to research on gift giving and the often mismatched expectations of gift givers and receivers. The research found that going above and beyond to come up with a “more thoughtful” gift rather than one that was requested is a bad idea. Recipients are more appreciative when they receive what they want. The one exception is money. When study recipients were asked to rate how thoughtful the gift givers were, those who gave money came out on top, above those who gave the requested gift.

Source: www.bnet.com

■ **Arrange the perfect power lunch** for that important client by heeding the advice of Julian Niccolini, co-owner of the Four Seasons Restaurant in New York City. First, don't reserve online — make and confirm your reservation with a human being, allowing you to confirm seating preferences, such as a table where others will not hear your conversation. Make sure the restaurant has the name of your guest, as well. Don't leave the check to chance — provide your credit card number in advance. Arrive at the restaurant early. Finally, become a regular at one restaurant — you'll get better treatment.

Source: www.inc.com

MARKETING

Seven Ways to Keep Sales Rolling In

by Melinda Emerson

DON'T GET SO busy with the day-to-day hustle in your business that you forget to focus your marketing activities on keeping your pipeline filled. To help you reach your monthly sales goals, I have created a list of seven marketing tactics you should revisit in the fourth quarter of each year. They are designed to ensure that you focus on revenue-generating activities in your small business.

1. Profile your best customers. Who are your most valuable and profitable customers? How much do they spend with you annually? Do they fit a niche? While it's imperative that you understand your products and services, it's even more significant to understand what value your business brings to your customers so you can continue fulfilling their needs. Business issues can change quickly, making vendors potentially interchangeable. Be sure to thank your customers; no one owes you business.

2. Talk with your clients. If your three most important customers were sitting in a room with you, what questions would you ask them? Even with your long-time customers, schedule a quarterly face-to-face meeting to ask for feedback or just to catch up. You must stay on top of their needs and understand any new factors that influence their decision-making processes. Have 10 questions to ask and then make sure you engage them around some personal small talk: kids, vacations, holiday plans, etc. The more personal the relationship, the more that relationship will allow you to obtain critical information and a strong ally.

3. Align marketing efforts with your sales goals. Sales and marketing have to work together in your business. Even if you are the only salesperson in your business and you also handle the marketing efforts, you must plan your marketing program based on the amount of sales leads you need to generate in order to close the

required amount of sales per month. If you know you need 500 leads per month in order to close 50 sales, then determine how many phone calls, emails, blog posts, Facebook ads and Twitter messages must

With so much to focus on, it's easy to let the marketing engine stall. Use these ideas to keep it running.

be made, sent or posted per month to drive the desired traffic. You must establish a sales process and then proactively work your marketing efforts so that they generate the desired results.

4. Never take your eye off the competition. Identify several competitors. Discover what benefits they provide to their customers. Use their websites to gain insights. Compare your branding, value proposition and pricing. Based on your assessment, develop at least three strategies that you will use to position yourself effectively against them. Always think, “What is my signature move?”

5. Create win-win relationships. “Give to get” is a motto that works well in business. A strong strategic alliance offers many benefits, including reducing risk, sharing costs and improving time to market. How can you develop a partnership that can contribute to your bottom line? Always go into a relationship understanding your partner's “must-have” list. It's always best when you can find a partner who is not a direct competitor.

6. Refine your 30-second commercial or elevator pitch. Your most important job is selling yourself and your business. When you can succinctly explain your business, it builds trust, but you shouldn't use the same pitch forever. From time to time, switch it up a little. Add a brief client list; mention a recent award or media hit. Elevator pitches are designed to draw in your target and keep the dialogue going. Be careful not to give TMI (too much information). Offer just

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■ **Are you shy about asking for referrals?** Far too many salespeople just say, “Do you know anyone else I could contact?” Instead, tie your request into the problem you just solved, the pain you erased or the result you helped them achieve. For example, “Pat, I’m glad you were able to cut down on your wasted material expense by using our system. By the way, who else do you know who is experiencing a similar problem that might benefit from a system like this?” Now you’re putting the customer in the position of helping a friend instead of sending a salesperson after them.

Source: www.businessbyphone.com

■ **Sometimes it pays to quit.** That idea that sounded great in the meeting just isn’t working out. You put in your best marketing effort and sales have been much less than even expected. Sometimes no further analysis is necessary. It’s time to kill the project before you waste any more money on it. Sometimes a quick review is necessary to determine the reasons. Too early to market? Wrong market? Product overpriced? Or underfeatured? The problems may be correctable, but you’ve got to be careful not to spend too much time, energy and dollars on it. You may be better off putting it on the back burner and sticking with products or services that are making a contribution to the bottom line, especially in the current economic environment.

Source: www.smbiz.com

■ **Watch out if you rely on Google Places for getting business.** Google announced it will make a change to any data about your business if *any* user provides new information, or Google’s system identifies information from another source on the Web that may be more recent than the data you provided. The listing will automatically be updated and you will be sent an email notification about the change. Google says this is for business owners that don’t have time to think about updating Places, but it also opens the door to mischief and human error. Luckily, if you disagree or have even more recent information, you can log into your Google Places account and make further edits.

Source: www.marketingvox.com

How Americans get local information

When marketing to local consumers, it’s important to know how they obtain local information. According to a new report by Pew Research, Americans rely on multiple media for local information, as 64% of adults surveyed say they get their weekly news from at least three types of media.

Among all American adults, TV is the top source of local news (74%), followed by word of mouth (55%), radio (51%), newspapers (50%) and the Internet (47%), according to the Pew report, “How People Learn About Their Local Community.”

The media that people pick is often determined by the type of information they are looking for. Television is the preferred medium for breaking news and

weather, although TV ties with radio as the top source of traffic news. Newspapers are still the top source for 11 other topics, such as local government updates, community events, arts and culture, social services and crime reports. The Internet is the top source of information on restaurants and other local businesses.

Reliance on media sources varies by age. Older consumers age 40 and over still rely more heavily on traditional platforms for topics such as weather, politics and community events, whereas younger consumers rely more on the Internet for topics such as politics, community events, schools, and restaurants and clubs.

Source: MarketingProfs.com, October 6, 2011

White collar perks for hourly workers

Companies in industries that rely heavily on hourly or low-wage workers are exploring ways to provide more scheduling flexibility and control to a population that has rarely been offered such benefits.

Typically, hourly workers’ lack of control over their schedules can lead to high rates of absenteeism and turnover. Now, some companies are implementing a range of innovative policies for their hourly staffers, such as providing paid time off in shorter, part-day increments, so workers can manage appointments without having to take an entire day off. They are also providing more leeway on start and end times — allowing workers to shift their

start time earlier to be available for a school pickup, for instance.

Some firms are also giving workers more lead time on their schedules, a problem for many low-wage hourly workers who then must secure family care on short notice. Some are even experimenting with allowing some work to be done from home when possible.

Management experts say that while many firms are reluctant to change scheduling practices, others have discovered the benefits, in terms of decreased turnover and higher employee engagement, to be worth it.

Source: *The Wall Street Journal*, October 3, 2011

Are B2B marketing tactics failing?

If you’ve noticed a drop in the effectiveness in your business-to-business (B2B) marketing strategy, you’re not alone. According to a survey of more than 1,745 B2B companies by MarketingSherpa, marketers admit their tactics simply aren’t working as well as they used to.

How bad is it? There’s as much as a 50% decline in the effectiveness for even their most tried-and-true strategies since last year, according to the 2012 B2B Marketing Benchmark Report. For example, while “web design, management and optimization” is still the favorite and considered “very effective” by the greatest percentage of marketers, that number has dropped from 50% to only 31%. Last year’s second favorite, “virtual events/webinars” has dropped from 43% to 19% and is now in fifth place for effectiveness. Search engine optimization dropped from 36% to 29%, email marketing dropped

from 40% to 26%, and trade shows dropped from 25% to 20%.

So is it time to pack up and go home? Not so fast. The greatest challenge, according to the study, was converting qualified leads into paying customers. But the researchers were surprised that few of these marketing experts were optimizing their sales and marketing funnels. For example, 68% admitted they had not identified their sales and marketing funnels, only 61% send leads directly to sales for timely response, 79% don’t bother to score leads and 65% don’t nurture their leads.

Therefore, funnel optimization offers an opportunity to convert more of the leads that are coming in. Not only can this bridge the gap in lost sales, but companies that take advantage of this strategy will be better positioned when the economy improves.

Source: MarketingSherpa.com, October 7, 2011

■ **A little “cyberloafing” actually increases productivity.** New research by Don J.Q. Chen and Vivien K.G. Lim revealed that Web browsing at work enhances productivity and refreshes tired minds more than other activities, such as texting or personal emailing. When people visit sites they enjoy “it’s like going for a coffee or snack break,” according to Dr. Lim. Breaks of such a nature proved to be rejuvenative.

Source: www.bizreport.com

■ **If you are considering making large equipment purchases,** you may want to do it now. The Section 179 deduction that allows a small business to deduct up-front rather than depreciate the cost of equipment like computers, vehicles, machines in manufacturing, office furniture and sheds will be reduced from \$500,000 in 2011 to \$125,000 in 2012 and finally to \$25,000 in 2013 — the amount it was back in 2002. In addition, bonus depreciation allows small businesses to take a deduction for equipment expenses beyond the amount allowed under Section 179. For 2011, the bonus depreciation is 100%. The maximum that can be deducted under the two deductions combined is \$2 million. In 2012, bonus depreciation drops to 50%. Ask your tax advisor for details.

Source: www.boston.com

■ **Prepare your speech, but be ready to change it.** Many people prepare for speeches by writing out the full text of their remarks and rehearsing to get the words exactly right. This often means you end up delivering a speech exactly as you wrote it, even if the audience isn’t responsive. Speaking is different than writing. You need to connect with your listeners. Prepare for your next speaking engagement by jotting down a list of four or five brief, key points and a concluding paragraph. Then arrive early enough to talk with people before your speech. This allows you to grasp the mood of the audience and tailor your points to its state of mind.

Source: www.harvardbusinessreview.com

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Who should CEOs turn to for personal support?

Who can the boss turn to when personal problems arise? Friends? Family? A recent study published in *Academy of Management Journal* alerts us that the answer is often other leaders.

Researchers Michael McDonald and James Westphal studied 300 CEOs over the course of 12 months, revealing how such support matters. During the study, each CEO reported any personal problems such as strained marital relations, things that are likely to distract and deplete the energy available for work. These problems, especially when

severe, led to a reduction of nonobligatory but vital leadership behaviors, such as mentoring subordinates. However, availability of social support from other CEOs substantially mitigated this. In fact, their support had beyond double the impact of that of support from family and friend networks.

Personal problems can take a toll on leadership effectiveness — especially those activities that can be put off to tomorrow — but sometimes the best solution is for leaders to turn to each other.

Source: *Occupational Digest*, October 3, 2011

Group buying power for small businesses

Business owners don’t often hear the words “volume discount” when they go shopping for their small businesses. However, several startups are trying to change that.

Group buying startup Rewardli plans to help business owners join forces and leverage their combined buying power. Research has shown that owners don’t buy on impulse, so Rewardli’s deals are “always-on” — your discount is based on how well you leverage your “social graph.” Simply put, the more people in your Facebook or LinkedIn community that buy from Rewardli, the more potent your social graph and the more you stand to save. Already, Rewardli has signed on more than 70 vendors, includ-

ing Dell, Canon, Staples, Intuit and FedEx Office, each offering 2% to 50% cash-back on purchases.

Two other entrants into this new space have taken a more “traditional” approach to group deals. GagggleBiz and Bizydeal are bringing Groupon’s daily deal model to small business owners. Here too, a social element is at play. Owners will be encouraged to share deals on services such as online payroll, janitorial services or website development with their peers in order to reach a tipping point that activates the group buy. Deals last for a finite time and may only be available in limited quantities.

Source: *ECSB Insights*, Enterprise Council on Small Business, September 30, 2011

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enough to get them interested in chatting with you again.

7. Use a vision board. All businesses have ups and downs. How you get through the tough days in your business makes a big difference in your productivity. One of the tricks I use and advise all my coaching clients to use is to develop a vision board of your big picture goals for your life. If you are successful the way your business plan projects, what are the 10 things you want out of life? Create a visual representation of your list. Use cutouts from magazines or clip art pictures — whatever it takes to develop a visual symbol of your personal goals. Post this collage to remind yourself why you work so hard. Ten

reasons will keep you motivated on good days as well as bad ones!

By implementing these marketing tactics, you will be able to evaluate the effectiveness of your marketing strategy and keep yourself motivated to stay on top of your sales processes.

Melinda F. Emerson, known to many as SmallBizLady, is one of America’s leading small business experts. As a seasoned entrepreneur, professional speaker and small business coach, she develops audio, video and written content to fulfill her mission to end small business failure. As CEO of Quintessence Multimedia, Melinda educates entrepreneurs and Fortune 500 companies on subjects including small business start-up, recession-proof marketing and social media strategy. Forbes Magazine named her the #1 woman for entrepreneurs to follow on Twitter. She also publishes a resource blog at www.succeedasyourownboss.com