Business Survival Series, part 2 of 4: Marketing Strategy

Marketing Strategy
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INTRODUCTIONS
(Poll questions)
• New or existing business
• Type of business
• Primary job skill or function
• First HCEDC event?

Keith
Marketing Strategy

Workshop Objectives

• Understanding the marketing process and the marketing mix
• Determining your target market and prioritizing segments
• Developing a promotional strategy
• The role of digital marketing & social media
• Measuring and optimizing marketing program results
The Marketing Mix

Definition of “4 P’s”

process of planning & executing the

Product/Service
Pricing
Placement/Distribution and
Promotion

of ideas, goods and services to create transactions that satisfy individual and organizational goals.
Differentiation & Positioning

Meaningful, valued differences to distinguish a company’s offering from the competition.
SWOT Analysis

Swot

Strengths

Weaknesses

Opportunities

Threats
Definition of “4 P’s”

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Target Market and Customer Profile

Defines the people (BtoC) or businesses (BtoB) that are your primary customers.

Defined by ranges; measurable, actionable. Can be segmented.
Target Market and Customer Profile

BtoC example:

Athletic Shoe company
  • Age 18-29
  • Gender 70% male/30% female
  • Actively involved in sports activities

BtoB example:

Commercial Printer
  • Companies within 20 mile radius
  • $10 – 50 million in sales
  • Have a need for 4-color printing runs
    of at least 5,000 sheets
Segmentation

**Market Segmentation**
Dividing total market or audience sub-groups (several target marke: Image source: SFL Scientific
Ways to Segment a Market (BtoC)

Geographic (country, region, state, county, city, zip, neighborhood, household; urban, suburban, rural)

Demographic (age, gender, income, education, generation, homeownership, ethnicity, marital status)

Psychographic (personality, values, lifestyle, hobbies, interests)

Buyer Behavior (adoption/buying stage; usage rate; outlet type, channel preference)

Event Triggers (new movers, life or industry stages, weddings, births, divorce/separation, retirements)
Ways to Segment a Market (BtoB)

- **Geographic** (country, region, state, county, metro area, city, zip; radius)
- **Industry** (SIC #, NAICS #)
- **Size** (# employees, $ sales volume, # square feet)
- **Ownership** (HQ, branch, public, private, franchise, home-based, government, foreign)
- **Other** (# years in business, credit rating)
- **Event Triggers/Timing** (customer/lead/prospect pipeline; new move/opening)
Where do you start?

Start by segmenting your customers.

Effective targeting of prospects begins with understanding and segmenting your existing customers.
Prioritize Segments

Retention (existing customers)
  >
Win-back (former customers)
  >
Acquisition (prospects)
Further Prioritize by Best (Most Valuable) Segments

Retention (existing customers)
- by Product or Service
- Profitability

Win-back (former customers)

Acquisition (prospects)
Prioritizing Segments - an Example Using Product Profitability

Consumer Finance Company

Personal loan
• Avg. pre-tax profit: $215

Home equity loan
• Avg. pre-tax profit: $6,500

Customer Retention
Cross-sell / Upsell
Customer Acquisition
Promotional Mix Strategy = Marketing Communications

Most marketing communication/promotional strategies include advertising, public relations, sales promotion, and personal selling to reach a target market.
Integrated Promotional Mix

- **Advertising**
  one-way non-personal paid communication

- **Public Relations**
  actions taken to earn public understanding and acceptance

- **Sales Promotion**
  activities to stimulate targeted consumer buying and dealer effectiveness

- **Personal Selling**
  planned presentations to buyers for the purpose of making a sale to your target market
Advertising Media

Types of Advertising Media

- Broadcast
  - TV, Radio
- Print (including online)
  - Newspapers, Magazines, Direct Mail, Flyers, YP
- Out of Home
  - Billboards, Sponsorships
- Digital Marketing
  - Internet, Social Media, Emailing, Text Messaging
Public Relations

• Publicity
  Press release
  News release
  Publicity release

• Image management
Sales Promotion Strategies

- Trade Promotion: Business-to-Business Promotion (B2B)
- Consumer Oriented Sales Promotion: Business-to-Consumer (B2C)
- Direct Marketing
- Product Sampling

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Personal Selling

- Prospecting & qualifying
- Sales Tasks
  - Consultative selling
  - Order processing
  - Sales support
- Follow up service
The Role of Marketing vs. Sales

MARKETING

Prospects → Leads

Awareness → Interest

SALES

MQLs (Marketing Qualified Leads) (Opportunities) → Conversions

Purchase Intent
So, where does it fit in?

Integrate **Digital Marketing** into your overall **Promotional Strategy**…

and include **Social Media** in your **Marketing Communications**.
Defined – targeted, measurable, and interactive marketing of products or services using digital technologies to reach and convert leads into customers and increase sales.
Digital Marketing

Examples –

• Search Engine Marketing (SEM) – online advertising
• Search Engine Optimization (SEO) – key word searches
• Social Media Marketing (SMM)
• Email Marketing
• Mobile Marketing – Text Messaging
Display Ads

Display/Banner ads:
- Text
- Images
- Audio
- Video
Search Ads

Paid search/pay-per-click ads

Marketing Strategy
Defined –
catch-all term for Internet applications that allow users to create content, share and interact with each other.

• Sharing links to content
• Public updates to a profile
• Sharing pics, videos, posts
• Commenting on any/all the above
Social Media

Some Examples

- Facebook
- Instagram
- Twitter
- LinkedIn
- YouTube
- Pinterest
- Blogs, message boards also described as social media.
Measuring (and Optimizing) List & Segment Performance in Marketing Campaigns

Image source: Search Engine Journal
Business Reassessment
Q&A Panel Discussion

Questions? Comments? Feedback?

SBDC at New Jersey City University
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