

IRIS Business Software Whitepaper

Marketing your business

Welcome to the IRIS Business Software guide to marketing your business

Marketing is a term that simply means giving people a product or service they want or need. A marketing plan is all about making sure that people know what you have to offer, and come back to you.



Effective marketing gives customers a reason to buy from you - better prices, friendlier service, and a better brand. This guide will give you that marketing edge whatever business you're in!

Good luck with marketing your business!

IRIS Business Software Team

We make it easy

Marketing: go on... be a show off!

Create your marketing strategy

Most businesses need selling and marketing activities to get their message across effectively and get goods and services into the right markets. The secret to successful marketing is the strategy behind it.

Developing a marketing strategy is vital for any business. Without one, your efforts to attract customers are likely to be haphazard and inefficient. The focus of your strategy is an understanding of your customer's needs. The ability to constantly satisfy your customer's needs, better than your competitors, will make you the preferred supplier of the marketplace.

Think about what you want to say, but also what the customer needs to hear. Why should they buy your product or service? Build your message around your company, product or service - and the benefits and advantages they offer. A good marketing plan should be specific, measurable, achievable and realistic.

Questions you should ask when developing your strategy

- What do I want to achieve? Set clear, realistic objectives
- What are our strengths and weaknesses?
- Which customers would be best to target? What are they looking for? What are their needs?
- How can I tell if my marketing is effective? Check how your customers found out about your business
- What changes are happening in the marketplace? Are these threats or opportunities?

Where to look for help?

There is plenty of online advice directories designed to help small businesses formulate a marketing strategy. Examples of some of the most helpful sites include www.businesslink.gov.uk and www.royalmail.com

Building and using your customer database

Your database must be kept up to date to be a valuable business tool. An ineffective database will waste your money through misdirected marketing - and your data could become unusable in just a few years.

Selling to existing customers is generally more cost effective than continually trying to find new ones. Your database is the key to helping you sell more to existing customers and improving the retention of big spenders.

What information does your database currently hold? A list of customer contacts is a start - but more specific information about their needs and interests makes your marketing more effective.

For any marketing strategy to be successful you will need up-to-date records of all your customers.

This information might include

- **Ordering behaviour** - dates, frequency and timing of orders
- **Order types** - type and quantity of goods or services ordered and their value
- **Your total annual sales** - the margin on these sales and their payment history
- **Distribution details** - postcode, type of area (rural/urban)
- **Personal profiles of individual customers** - age, gender and details of their lifestyle or socio-economic status

Where to look for help?

Data Protection Act 1998 - for more information look at the Information Commissioner's Office website at www.ico.gov.uk or call their helpline on **0845 630 6060**. The helpline has an automated service for the more frequently asked questions.

Depending on your budget, there are numerous software programmes available to organise your customer database. Just type the key words into an Internet search engine and find a solution suitable for you.

Put your money where your mouth is...

It's important to draw up a marketing budget with clear, realistic objectives. Whether you want to splash some cash or market your business on a shoestring, there are numerous options open to you.

Top Tip

Ask your bank or building society about free marketing advice services when opening your business accounts.

Decide what you want to achieve; for example, how many customers do you want to attract?

Choose marketing methods that match your budget so you can afford to carry them out regularly for the first year.

Regularly review your marketing results and whether you achieved what you wanted to. If you didn't, look at why and try a different method. Use our ideas below depending on your budget.

Marketing on a shoestring

- **Word of mouth** - happy customers will keep coming back. Consider offering a referral programme, and reward those customers who help you
- **Free ad papers** - contact your local free ad publications for advertising opportunities
- **Notices** - create promotional cards to stick in shop windows, on notice boards etc
- **Door drops** - make a promotional leaflet and post it through doors yourself
- **Business directories** - many offer free online listing services including the Yellow Pages (www.yell.com) and Thomson Local (www.thomsonlocal.com). It's also free to register your business with telephone directory **118 118**
- **Cold calling** - use your enthusiasm and belief in your product or service as the best in the market to make a sale

- Consider some type of promotion. Give away free products or hold a special event
- Get your name known and gain a good reputation by sponsoring the local youth football team, or by sponsoring flowers or Christmas decorations in your town

Splashing the cash

- **Direct mail** - research this method first to get your communication right. It can have low response but cost-effective results, especially if you follow it up with a phone call
- **Local newspapers** - promote your business with adverts and/or editorial coverage as readers can be really supportive of their local businesses
- **Trade magazines** - ads in these can be ideal for a small, well-defined business audience, but can also be expensive
- **Local radio** - immediate results if supported by a strong, succinct message that gets customers to act but, again, can be expensive
- **Trade fairs/exhibitions** - you'll reach a large target audience in one go, but the cost and time involved can be high
- **Website** - these days, most people use the Internet to find products and services. It's also the easiest and cheapest way of updating your customers of any promotional offers or services. See pages 7 & 8 for more information

Running a marketing campaign with no budget

Good customer service is a low-cost way of gaining a competitive advantage over rivals, retaining customers, boosting sales and building a good reputation. If you have little or no budget to spend on marketing, focus on the service you provide to current customers and make sure they buy from you again and again.

Research and ask for feedback at every opportunity! Large corporations spend millions every year on finding out what their customers think. Simply by asking your customers for their comments you'll be identifying areas for improvement, and those which you should promote, without spending a penny.

For your existing customers, try to find out

- What they think about your product or services?
- Why they need your product or service - this may be different to what you believe?
- Why they buy from you and not your competitors?
- What they think of your prices?
- How they rate your customer service?

If you can work out how your customers make their buying decisions, you can adapt your sales methods and techniques to fit their needs - and help them buy more!

Don't forget, the most valuable marketing tool for any company is a referral from a happy customer! You need to get those satisfied customers talking about you and singing your praises as soon as possible. Consider offering a reward scheme for those existing customers who refer new clients your way.

Where to look for help?

As a well-run business it's also sensible to be aware of your customer's rights. They should also shape the way you offer your product or service. Don't overlook those customers who complain.

The vast majority of customers who complain will buy from you again, providing you deal with their complaint swiftly and efficiently. For more information, provided by the UK government on consumer rights, please visit www.direct.gov.uk

Find out more about the Consumer Goods Act and ensure your goods are 'fit for purpose' and of 'satisfactory quality' by visiting the website of the Department of Trade and Industry at www.berr.gov.uk. This website also provides guidance on fair trading and trade descriptions.

Your website - taking your company global

Successful online marketing relies on an attractive, informative website. If you haven't got a website, find a reputable web designer and make the investment. Your website will be your easiest, most up-to-date way of marketing your products and services to customers.

Apart from the initial cost for design and content, your website will be the cheapest long-term form of advertising available to you. So make it count!

Before you set up a website you need to think about

- What do you want your website to do? Should it mainly provide information or also allow customers to buy online?
- What information will you include on the website? Think about what will encourage visitors to return to your site, e.g. stories about your achievements, up-to-date information on your products and staff etc
- Who will you get to host your website? ISPs (Internet Service Providers) will host very simple websites, but if it develops you'll need to start over again with a web designer
- How will the website be maintained? Regular updating is essential
- If you offer online shopping, you'll need to think about what payment methods you offer, delivery and after-sales customer service
- Register your chosen domain name! This is the name your customers will type into the browser address bar or search engine, to find your website (e.g. www.iris.co.uk). Make it short, easy to remember and easy to spell. Keep the registration/hosting documents which prove your ownership of the site safe

By the time you talk to a web designer you should know what you want. Ensure your key messages are clearly displayed on every page - as many visitors arrive on the site without seeing the home page.

Ensure your site is bold, attractive, easy to navigate and above all, simple. Review and manage links with partner sites as a cost-effective way to gain new visitors.

Where to look for help?

Check whether the domain name you want is available by checking one of the many online resources; just search 'domain names' to find a whole host of sites.

Many domain websites will offer alternatives if your first choice is already taken.

Using web-based marketing

With around one billion people now connected to the Internet, web-based marketing is big business. More and more consumers now look online for products and services they need. Don't miss out on this massive potential to increase your sales.

The cost of advertising online varies greatly and you will have to research which option is best for you. Below are some of the online marketing options available.

- **Email campaigns** - marketing your products or services by email can be a powerful and flexible form of direct marketing. You can communicate your messages quickly and cheaply in the form of a newsletter. You can also tailor your message to specific types of customer more cost-effectively than with paper-based marketing. And most importantly it costs very little
- **Search engines** - considering Search Engine Optimisation (SEO) when creating your website is, in the long run, probably the most effective form of Internet marketing. If your SEO is done correctly, you can receive a steady and high quality flow of visits, enquiries and/or sales from your website. Ask your web designer how you can ensure your website is found!
- **Banner advertising** - this form of online advertising can be fully animated and full colour. No doubt you have seen banners, buttons and skyscrapers on the likes of Yahoo, MSN and Google. Although very popular, this is an expensive way of promoting your business
- **Pay Per Click (PPC) advertising** - Google AdWords is a great example of this. You are only charged when a searcher clicks on your link. If your budget is lacking in flexibility, you can set daily limits on what you want to spend. Once your limit is reached, the advert disappears. The fact the searcher is on the web, actively reading pages and searching items relating to your product and

service, means they are more likely to be interested in what you have to offer. You can display a variety of ad formats and even target your ads to specific geographical locations. Online tracking tools allow you to keep a close watch of the effectiveness of the ads

- **Online directories** - often you will find directories listing businesses offering similar services to your own. For a small fee you can join and many will forward enquiries from interested potential clients on to you

Where to look for help?

For more information on PPC advertising please visit www.google.co.uk/adwords

There is a wealth of web-based marketing information available online. Try www.smallbusiness.co.uk for starters.

Keeping track of your marketing investment

When you make an investment you should expect to see a return. The resources you put into your marketing campaign shouldn't be any different.

Why it is important to measure your campaign?

- Even if your campaign has cost you very little money, it's still essential to measure the campaign, as it could be having a negative effect on your sales
- It's important to know in which areas your campaign has been successful as this reflects how well your customers received your message and where it is worth spending money in the future
- It allows you to measure whether your campaign is attracting new customers or retaining old ones

How do you do it?

- **Time the campaign** - have a time frame set so you can measure the results and give yourself a guideline to measure against other campaigns you are running, or may wish to run in the future
- **Target audience** - have a target audience for each campaign. It will allow you to not only compare one campaign against another but also reveal which group was more receptive and therefore which target audience generated the best ROI (Return On Investment)
- **Set objectives** - exactly what are you hoping to achieve? This not only gives you guidelines when putting together a marketing campaign but gives you a benchmark to measure your campaign against

- **Reference** - introducing a code to your marketing campaign is a useful way to find out how customers found your company and measuring the effectiveness of different elements of your campaign. Include something like, 'quote reference number 8888 when purchasing,' on your campaign literature. If you have a different code on each campaign e.g. one code on an email campaign, a different code for a print campaign, you can trace back each sale to where the customer saw your advert

Other advantages of measuring your campaign

- **Improved decision making** - after researching and running a campaign, you will gain a greater understanding of what is available and affordable
- **Risk reduction** - you will have gained a better understanding of the market, your customers and what is effective for your business
- **Improved campaigns** - evaluating elements of the markets allows you to edit and improve your campaigns
- **Cost saving** - it may not be necessary to run more than one campaign and you can channel your budget into the most effective methods
- **Accumulated wisdom** - gaining knowledge of the current marketing and client base, as this can change all the time, a campaign that is effective now may not be this time next year

Master marketing

10 step guide to becoming a great marketer.

1. Set your budget so you can make informed, sensible choices of your preferred marketing method
2. Refresh your customer database. Remember an ineffective database will waste your money through misdirected marketing
3. Carry out meticulous planning when it comes to your 'marketing message'. Is it clear? Does it say exactly what your target customer wants to hear?
4. Is your campaign literature attractive, easy to read and with the necessary contact details?
5. If you carry out any form of direct marketing, follow-up the campaign with calls to your targeted customers
6. Invest in an online presence if you haven't already. A website will end up paying for itself and is essential to stay ahead of your competitors
7. Consider offering online deals and discounts which customers can quote when they contact you
8. Track any marketing investment you make. Measuring how effective your promotions are will be crucial in planning future campaigns and finding out what your customers respond too
9. Place constant emphasis on the importance of customer service. Happy customers will not only come back again and again, they will also refer new customers to you. Consider setting up a reward scheme for those customers who make profitable referrals
10. Monitor your market place and competitors to make sure you're in step with any industry developments

Useful website directory

'Information is power'. The more you know about the market place and your customers, the better.

1. **www.exhibitions.co.uk** a British trade site providing a complete list of all trade, public, industrial and consumer exhibitions in the UK
2. **www.web-design-directory.co.uk** a comprehensive directory of web designers and website design companies in the UK
3. **www.mediauk.com** an independent media directory for the UK, listing websites, addresses and telephone numbers of press, radio and television
4. **www.royalmail.com** provides detailed guides on how to make your direct mail campaigns a success
5. **www.direct.gov.uk** detailed information provided by the UK government on customer's rights
6. **www.yell.com** and **www.thomsonlocal.com** both provide free online business registration services
7. **www.businesslink.gov.uk** provides an in-depth guide to numerous sales and marketing techniques
8. **www.smallbusiness.co.uk** provides free tips on how to successfully market your company
9. **www.uksmallbusinessforums.org** an interactive, open portal intended to serve as a resource to support and assist small businesses
10. **www.ukwda.org** the UK Web Design Association website

Backseat Memories Ltd... putting the wheels in motion

Warwickshire based luxury car hire company, Backseat Memories Ltd, began life in 2003 when two friends, Melissa Harwood and Nathan Sykes, joined forces and decided to set up a chauffeur driven service second to none.



Neither had any marketing experience despite the competitive environment in which they were entering, but have since successfully expanded their business.

We asked Melissa what she did to promote the company right at the beginning and how she continues to generate new bookings and build-up the company's reputation.

How have trade fairs helped your business?

Wedding fairs are central to our marketing strategy and well worth the investment. Although we cover all sorts of occasions, weddings are our bread and butter business and provide us with around 70% of our annual turnover. Often the brides attending the fairs are thinking of dresses, venues or catering. Hiring the car usually comes last in the preparations, but we are able to display our cars and grab their attention.

We spend around £50 on promotional literature to hand out at the fairs, all of which is snapped up and we usually secure three to four jobs at each event. The initial cost of the stand, banners and topiary plants we brought was recouped after the first fair we attended.

Did direct marketing have the desired effect on your profits?

When we first started out we put a leaflet in a local free newspaper. It was expensive but we thought the initial outlay would be worth it, as it promised wide distribution and we were new and eager to get known. But the results for us were incredibly disappointing. To track how effective the leaflet was we offered a discount on the literature, which the customer could quote when they booked a car. By using that as the guide we only managed to secure two bookings from the leaflet.

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Backseat Memories Ltd continued...

How has a website got you ahead of your competitors?

For us, a website and online presence was an absolute must. The Internet as a research tool is incredible and to be able to compete with other car hire businesses we felt a website displaying our quality of our cars was crucial.

A substantial number of our bookings are generated by the website, which has also enabled us to easily expand the services we offer cheaply and easily. To turnover bigger profits we decided to offer luxury Cotswold car tours, complete with picnics and champagne. We advertised this new service on our site and it proved incredibly popular with people in their fifties and sixties celebrating birthdays and anniversaries.

The one thing I would recommend when setting up a website is to carry out research to find a reputable web designer. It's often not as expensive as you think. And make sure you, and not the designer, have the ownership rights to the site so you can move from host to host as you wish.

What would you recommend to another company wishing to market their business with little or no marketing budget?

I don't believe marketing your business has to cost a fortune. Although a lot to begin with is trial and error I do believe the best kind of marketing you can have is a referral generated by good customer service and word-of-mouth.

We always ask every customer for feedback and time and again we have people praising our chauffeurs for their immaculate appearance and faultless service. It makes all the difference particularly when the event is someone's wedding day.

Also don't be afraid to deliver leaflets and business cards yourself. We stock a lot of cards in businesses and pubs in the area and it works really well.

www.backseatmemories.co.uk



Software & services available from IRIS



IRIS Payroll Lite

Simple payroll software for single companies, HMRC accredited

IRIS P11D

The easy way to complete employee expenses and benefits returns

IRIS PAYE-Master

Easy to use payroll software for small businesses, HMRC accredited

IRIS Bookkeeping

Bookkeeping made easy for small businesses

IRIS Payroll Professional

Flexible payroll software for medium sized businesses, HMRC accredited

IRIS HR Manager

The easy way to keep employee data up-to-date

IRIS Accounts Office

Smarter accounting for growing businesses

IRIS HR & Legal Helpline

Immediate and confidential advice from qualified lawyers and HR specialists



Optional	2 weekly 4 weekly pay frequencies	Yes
	Directors National Insurance	Yes
	Contracted-out Pension Deductions	Yes

IRIS for businesses...

☎ 0844 815 5700

@ sales@iris.co.uk