

SEVEN GREATEST MARKETING MISTAKES



VIDEO
TRANSCRIPT
SIX



COACHING ACADEMY SPECIALIST
Where Small Businesses Grow

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Seven Greatest Marketing Mistakes

So what we're going to talk about here is the seven greatest marketing mistakes.

Every successful business will have to invest significant amounts of money in marketing and in selling their product. And it is generally accepted that in marketing, it's got to do with trial and error. And whilst there's some element of truth in that, there's also a science behind it where there's a list of things that you mustn't do.

We're now going to go through seven of the greatest marketing mistakes; mistakes that I've seen people make and it's cost them fortunes. I've seen people go out of business because they didn't pay attention to these seven marketing mistakes that I'd like you to avoid at all costs.

The first one is not having a unique selling proposition.

You don't have to be a corporate, you don't have to be an international conglomerate, you don't have to be a world leader in any particular product or service for you to have a unique selling proposition.

It's important that you at least start off with a USP because it'll help define your company. Whether you're a plumber or a roofer or a carpenter or a local minicab firm, whatever business you're in, you can have a USP that is unique to your business that will be synonymous with your business and will help your business going forward.

It'll also help you have a standard for your company where your customers, staff, shareholders, suppliers and bankers understand where you're going. So not having one will come at a cost. Certainly, I would encourage you to invest in a unique selling proposition.

The second-greatest mistake in marketing is not having and using the seven growth multipliers as one of your major Key Performance Indicators.

This subject is covered in detail and in depth in another module. The seven growth multipliers – it's important that you use all seven of them simultaneously. And when you do that, you'll find it makes a huge difference to your business. Not to use them will come to you at a cost.

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Within the seven growth multipliers they're very simply listed as: (i) The number of prospects; (ii) The conversion rate from prospects to customers; (iii) The transaction value; (iv) the number of transactions per customer; (v) increasing the profit margin, (vi) increasing the number of referrals, and finally (vii) increasing the lifetime value of each customer. Those are the seven growth multipliers and it's important you pay attention to all seven of them.

The third-greatest marketing mistake is only using a small number of marketing tools.

So often we come across companies that they find what they call a "winning streak" or a "rich vein" of finding customers, and then they invest all their energy, all their effort, all their resource into that single vein.

What you really must focus on is not putting all your eggs in one basket by only having one method of marketing. So you must broaden that at all times by continuing to test and measure various methods. You must have more than just one and have a multiple number of marketing tools and continue to measure them as you go along.

The fourth-greatest marketing mistake is not using testimonials.

You must be able to get a reference, a testimonial from a happy customer. And if you can't, then there's something wrong with your business or the way you are attempting to secure references. You see, your customers will listen to your promises and all of your claims to what your product or service will do, but they reserve the right to have doubts. What you say about your product is good but when it comes from a third party, it definitely helps and is frequently considered more credible. Your business can really jump in leap and bounds when you start to use testimonials sensibly.

This is references from customers who are happy with the product, happy with the service, and in fact, can vouch for the fact you've delivered more than you've promised that you would. It's important that you focus on getting testimonials. In many cases you will have to ask for them and maybe even assist them in writing it

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The fifth-greatest marketing mistake is not to have a guarantee or a risk reversal in place.

What we're talking about here is you're out there selling your product or your service and you're making promises and you're making claims of what your product or service will do. And while you're doing that, you've got a prospect thinking of buying your product or service. And they'll make that decision based on emotion backed up with logic. They'll be making that decision based on the fact they're getting to like you, getting to know you, and getting to trust you. But they're entitled to have doubts, they're entitled to have reservations, they're entitled to wonder not about your integrity, not about your honesty, not even about your promises and your claims, but they have a right to doubt whether the product or service will actually suit them.

And to help outweigh that doubt, what you can do is you give them a guarantee or a risk reversal where there is no risk to them, and that's an unconditional guarantee where you would give them all of their money back if the product or service does not fit for purpose. And occasionally, I get people saying, "Well that's going to come as a huge cost." Yes, there's a cost. But so there is a cost in selling, there's a cost in marketing, there's a cost in running your business. And you can make increased number of sales by giving a guarantee or a risk reversal where the customer is not at risk, where you can minimise that risk – hugely important.

And I say the sixth-greatest marketing mistake is not charging the perfect price.

And people say, "Well, surely, you can't get into trouble for charging too little." And I'd say, "You can." You must charge the right amount that gives your company a responsible margin that enables your company to grow.

You've got a super product or a super service and you make promises, you make claims, and then you charge a price that's maybe the same of your second-class competitors, or less than your competitors because you think that's the way to win customers. You're going to fill your customers and your prospects with doubts. It's important you charge the going rate, the right price, for your product or service. And if that means today increasing your price by 5% or 10%, do it today. You must charge the correct price because that's what's going to help your business and to help your customers have confidence in your product, the same confidence that you have.

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The seventh-greatest marketing mistake is not testing and measuring.

It's hugely important, whatever campaign you're going to run. If it's an ad in the local paper, an ad on television, some money on pay-per-click, you must test and measure. And if you don't like the answers, all the reason why you should still test and measure and record what you invested and what you get out of it for prospects, what you got out of it for customers, and the value. And you must test and measure at all times and continue to do it.

And when the answer is very good, don't just say in six months' time, "That campaign was really good." I'll say, "How good was it?" You'll say, "It was very good." "What did it mean to you?" "I can't remember." That's not good enough. Equally, "That wasn't a success." What does that mean? Did you get none or 2 or 3 or 23? And some of your memories will fade and your memory will remember what you want to remember.

It's really important that you forever, in all marketing campaigns, that you test and measure the results.

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