



Marketing for  
***Smarties***  
FOR BUSINESS-TO-BUSINESS SERVICE COMPANIES

*A quick read, a lifetime resource*

**Workbook**

Published by



The  
Planned  
Growth  
Company

Don Warner



# Marketing for *Smarties*

A BUSINESS DEVELOPMENT KIT  
FOR BUSINESS-TO-BUSINESS SERVICE COMPANIES

## Workbook

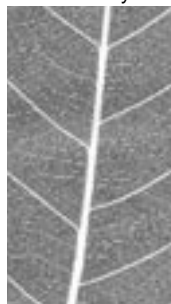
Step by step — just the essentials,  
the least you need to know about marketing



## TOOLSHEED

Tools for implementing marketing plans on a CD-ROM

Published by



The  
Planned  
Growth  
Company

Don Warner

[www.marketingforsmarties.com](http://www.marketingforsmarties.com)  
[www.plangrowth.com](http://www.plangrowth.com)

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## **ABOUT THE AUTHOR**

Don Warner has been in marketing, sales, and public relations as an entrepreneur, services provider, and writer in the United States and United Kingdom for over four decades.

Before starting The Planned Growth Company in 1992, Don spent ten years in Anglo-American trade, primarily as an entrepreneur in the computer services industry. He obtained the marketing rights to products, prepared and implemented marketing plans, and often served as the principle salesperson. Customers included many large corporations: Fortune 500 companies as well as federal, state, and local governments. Don's two main companies, Scientific & Business Systems (U.S.) and Software Marketing International (U.K.), were acquired by larger firms.

While living in the United Kingdom, Don founded and managed a marketing consulting firm with major international clients. He also has been a registered representative and public relations consultant. His career began during his sophomore year in college with Compton Advertising, where he helped organize a Motivation Research Department and pioneer in-depth interviews, a forerunner of today's focus groups.

## **ABOUT THE PLANNED GROWTH COMPANY**

Founded in 1992, The Planned Growth Company from its inception has specialized in small to medium-size business-to-business service companies. Most have sales of \$1-\$2 million a year with an average of ten employees.

The firm provides strategic planning, marketing, and sales administration support. The emphasis is on implementation and improving marketing and sales business processes central to growth.

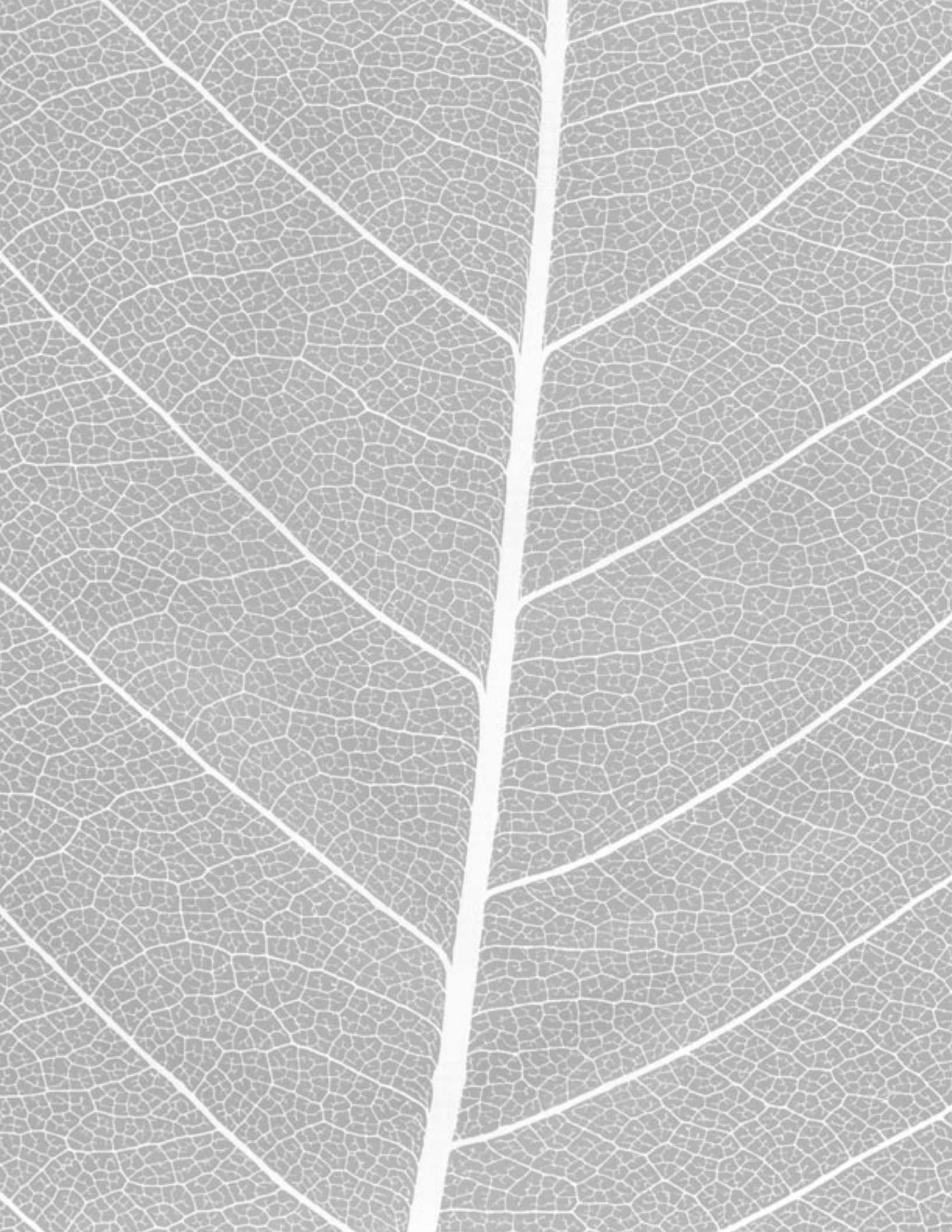
Resources have been provided to most segments of the computer services industry as well as to a variety of other business sectors: accounting, architectural, building maintenance, event marketing, graphics design, financial, legal, literary agency, media relations, nonprofit consulting, outsourcing, short distance broadcasting, and other services.

The Planned Growth Company also has developed special advertising sections for Fortune magazine.

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## INTRODUCTION

You're a smart person. You have expertise, some business sense, and you're good with *most* people, otherwise your business-to-business (B2B) service would have shut down before it opened. It's likely that what you are missing more than anything else is marketing: an affordable, proactive business process that sustains your business with a steady flow of leads that convert to sales. You can't afford to hire a professional to inaugurate and manage the process. You don't have the time or inclination to take a course. You're a quick study. You need to know what to do without taking a whole lot of your time. That's why you bought *Marketing for Smarties*.

There's probably another reason for your interest. In my experience, and from what I've heard from other small business experts, most companies go sideways. They go up a little or a lot, they go down a little or a lot, but their historic trend is sideways, consigned to what one observer called the "living-dead" of businesses. Why? Under-financing is the usual culprit.

I've been dealing with the marketing, sales, and public relations problems of small businesses as an entrepreneur and services provider for a lifetime. Since starting The Planned Growth Company in 1992, I've come to know hundreds of business-to-business service companies. In my experience, under-financing is rarely the cause of small business stagnation or failure in B2B services.

Sure, money can be a problem. There are many others: failure to adapt to changing market conditions, battling partners, and mismanagement, (including financial mismanagement), and especially owners who take too much out of the till. I've looked at the financials of dozens of companies that showed the owners had huge compensation packages, didn't have a dime in the budget for marketing, and looked me in the eye to say that theirs was just a tiny business that couldn't afford anything for marketing.

In my view, most B2B services falter for lack of a marketing business process — a permanent, low-cost method for generating a steady flow of business opportunities. When you get a chance, take a look under Free Food for Thought for *Whose Business Is It, Anyway* on The Planned Growth Company's Web site ([www.planned-growth.com](http://www.planned-growth.com)) to learn more about the various obstacles in the way of small business growth. For the moment, just remember the living-dead. Check that. *Forget* the living dead. Think vibrant health.

**If you have the will and a little wherewithal — not necessarily a lot of money — you can make your venture vibrantly healthy through simple, smart marketing.**

Of course, if you can obtain financing, perhaps a line of credit, that would help. Most commercial banks today go to great lengths to open and keep small business

## NOTES

accounts. Many know that one of the most serious obstacles to small business growth is inadequate marketing. Talk to your bank. They might help.

*With or without financial assistance, do you have the desire and will to make a commitment to spend a certain amount of time on business development, on marketing planning and activities?*

Your biggest struggle in building your business is likely to be with yourself. After all, you run a business. The service you offer has to be first-rate at all times. Customers must be satisfied and stay satisfied, all the time. There's the hunt for new business. There are myriad details of operations, administration, and financing. The demands are enormous. You're so busy with the daily needs of the business that you have no time for planning, for dealing with long-term issues.

That's the rock on one side of you. The hard place on the other is that the business is unlikely to grow unless you can find the time for developing an effective marketing and sales business process.

All those untold numbers of business owners, probably in the millions, whose businesses perennially go sideways, are not stupid. They're smart people, too. Their problem is that they're so bogged down "keeping the wolves away," "putting out fires," and "fighting alligators" that they can't think beyond the purchase order in front of them, let alone a six-month marketing plan.



**This above all: take the time to define what the word "commitment" means for you.**

Familiarize yourself with all the materials in the *Smarties* business development kit, *Workbook* and the Toolshed. Think about what's important to you, and what you realistically *can* do. How much time and money are available? Will you put in five or six hours a week? Find ways to free yourself from other activities or forego current income to have more time for futures? Say, a day? A week? When? Two hours a day? An afternoon plus an hour or two on the other days? One full day set aside?

**Marketing is highly labor intensive. *Smarties* can't change that. *Smarties* will help you find direction, methods that suit you, and provide tools to make your life easier. Yet, it's important to pick and choose focuses, goals, and working methods with thought and care.**

*Success depends on the clarity of your commitment and the discipline with which you move to attain the objectives.*



## STEP 1. TAKE AN INVENTORY OF YOUR MARKETING AND SALES KNOWLEDGE AND EXPERIENCE

**What do you know about marketing and sales?  
How much experience have you had?**

### IF YOU ARE JUST STARTING AND HAVE NO CUSTOMERS/CLIENTS/USERS...

...the answer is probably none or little, if this is your first venture or if you are marketing what is a new service for you, possibly in new markets. In any case, *this is crucial*:

1. In the service industry you're never a real business until you have customers, clients, or users; *no one wants to be the first-time buyer of an unknown and untested service.*
2. But they will try your service if they get a bargain. Stop here; go get yourself some customers and a track record. Whatever it takes.
3. Give away one or two agreements in return for feedback, references, mention in promotion and publicity (a case history if you can get it).
4. Allow the next one or two a steep discount, perhaps 50%, with similar terms.
5. Then give the next one or two an introductory price that's discounted by a lesser amount.

What you want is a few happy users, customers who will speak well of and for you. Find prospects who are willing to work with you to make sure the service is in good working order. Make sure you have a written agreement (sample agreements are in the Toolshed) even if you have given the service away. The agreement is vital, less as a contract than as a clear statement of what is expected of each side.

**That mission accomplished, you've got a real business — and you've got marketing and sales experience!**

EARLY BIRD CANDIDATES	IDEAS FOR DEALS

## NOTES

**IF YOU HAVE CLIENTS/CUSTOMERS/USERS...**

...you must have had some marketing and sales experience. Even if your customers are pre-qualified solid referrals, you still have to present them with something, persuade them that you live up to the billing, and negotiate an agreement.

**Take a look at your hidden past, a vital marketing asset.**

You had to write letters, make presentations, prepare proposals, build a network of recommenders and introducers, or do favors for others who owe you one.

**Search**

- ✓ Go through your electronic and paper files.
- ✓ Get out those letters, presentations, and proposals.
- ✓ Go through your organizer and old calendars to recall important meetings, to remember significant experiences.
- ✓ Look around your office for any other pieces of paper that might be relevant.
- ✓ Print out your Web site.

**Make notes:**

- ✓ What are the themes that run through the documents?
- ✓ What were the salient points you tried to make?
- ✓ How was your service described?
- ✓ What offers did you make?

A paper trail of your past pitches is somewhere in the documents used to make them. Try to track them in *Source/Notes* on the opposite page.

NOTES

SOURCE	NOTES
Letters	
Presentations	
Proposals	
Agreements	
Brochures, flyers	
Web site	
E-mails, faxes, memos	

**Start building a list**

Maybe you have 10-20 names, perhaps hundreds; more likely, it's somewhere in between. The size doesn't matter. What's important is that you include your list in your inventory. Make sure the contact data is current. Later on, the list will be an essential part of the marketing business process you install.

**Lessons Learned**

Sift through all this for lessons you can learn. What messages seemed to work? What failed? ***Why did they buy? Or why did they walk?*** If you don't know or you're not sure, call them and ask, if possible. Those who did not buy or those who bought and left can teach you more than anyone else can.

WHAT WORKED, WHY THEY BOUGHT	WHAT FAILED, WHY THEY WALKED

NOTES

Whatever the themes you've been using, whatever the key points that seemed to work best for you, now try to sort them out by benefits and figure out **which benefits and features were crucial.**

**BENEFITS AND FEATURES**

“Eat fish, live longer,” is the tag line of M. Slavin & Sons Ltd, a fish wholesaler in my city, New York. Fish is the feature. Note that rather than healthfulness or taste, “Live longer” is the compelling benefit they picked to persuade us to choose fish over other foods.



You didn't buy this workbook out of a profound yearning to learn the ins and outs of marketing; you bought it because you hope it will help you generate leads, get business, and put your business on a path to planned growth. Buyers write checks for benefits, not features. So which features enable your customers to attain which benefits?

FEATURES	BENEFITS

**COMPETITIVE ANALYSIS**

Finally, do some competitive analysis. Print out Web sites of near competitors and make notes about far ones. Study their pitches. See how your positioning differs from theirs, how your benefits and features stack up against theirs.

COMPETITORS	WHAT THEY SAY	HOW YOU COMPARE

What are your advantages and disadvantages? What competitive edges do you see for your business? These are important questions to ask.

**YOUR STRENGTHS AND WEAKNESSES**

Your strengths and limitations are an important part of the inventory. Are you good at meeting people and building your Rolodex, otherwise known as networking, but not so good at cold calling? Do you make great presentations, but can't write a decent letter or proposal? Are you good at the early phases of the selling cycle, but wish you had someone else to negotiate and close?

	STRENGTH	WEAKNESSES
Cold calling		
Writing		
Earning confidence		
Presenting/Speaking		
Negotiating		
Closing		
Other areas:		

## NOTES

Knowing your limitations will help you anticipate problems down the road. You can get assistance with writing and calling: from part-time employees or interns, especially from a local business school. If an area is in need of serious attention, there are books, videos, and DVDs, courses or workshops at local schools or organizations, or information online on every subject. From business writing workshops to Toastmasters, from quick fixes like The Learning Annex courses to evening sales training programs, you should be able to find help in one way or another.

Review the foregoing. Add it all up. What do you have? What are you missing?

## STEP 2. THINK ABOUT RESOURCES, PREPARE A SIMPLE PLAN

Maestro Andre Previn once observed that there's an exact moment when it's right to give the downbeat starting a musical work. If the beat is given a moment too soon or too late, the whole piece flounders. Marketing is about many, many things: ideas, beliefs, competitive advantages, enthusiasm and much more. Logistics should be at the top of your list.

One of the most difficult tasks confronting you is bringing together people (even if it's part-timers or temps), materials, computer systems, means of distribution, and money to pay for it all so that you can begin your campaign at the right moment. Whether the right moment for you is in January and the start of a new year, when the fall selling season begins, coincidental with a major trade show or the launch of a new service, everybody and everything has to be in place and ready for your downbeat.

Here are some of the things you may need:

1. **The Right List — repeat — the Right List (see Step7)**
2. Brochure (hard copy and electronic versions)
3. Standard cover letter (hard copy and electronic versions)
4. Telemarketing script
5. Web site upgrade
6. Contact management system
7. Letterhead
8. Couriers
9. Postage
10. Writer
11. Designer
12. Printer
13. Caller
14. Sales representative
15. Marketing coordinator

These items will be covered in detail as we move along. For the moment, the point is that you should get an early start on thinking about how you're going to make all this happen:

- What can you do yourself?
- Where will you need help? Where can you find assistance?
- How much money can you make available? Should you (and can you) obtain financing?

## NOTES

Consider: for your business to grow, ultimately you have to build an organization. At the moment, most of the functions of the business are in your head or the heads of a few people around you. The object of the exercise is to get those functions into the heads of others, even if it's for small portions given to:

- part-timers found through classified newspaper or online ads or college career offices (graduate business schools are preferable)
- temp firms that offer marketing specialists
- student interns (college career offices)
- suppliers

Marketing is labor intensive. That's why, even though I'm not going into the details just yet, I want you to start looking around for help.

Here's something to think about: I have encountered countless small businesses that were successful in large part through the assistance of family members who worked either with pay, or pay well below market rates until the venture got on its feet (after which, of course, they were well-paid).

Keep in mind that none of what you do needs to be expensive. Unless you're in the financial services industry, less expensive will probably be more effective than more expensive. You're in a business-to-business market. Your prospects are smart, too. They may well be turned-off by costly materials. After all, who's paying for them?

Above all, remember — it's content that counts. For many small and large businesses, I've used simple black and white brochures run off at a copy shop to market B2B services to senior managers of Fortune 500 companies. Sometimes I did so for test-marketing purposes, thinking a nicer piece would be printed once the message was proven. In many cases, the more expensive piece was never developed because it was unnecessary: prospects were sold by the content, not the package. And now, with printing-on-demand, the options and resources for producing small quantities of inexpensive materials are greater than ever.

Now a word about writing. Later, I'm going to encourage you to write yourself, or at least to start (you should try your hand at everything to start). But when you need help writing, do take a look at the National Writer's Union Web site ([www.nwu.org](http://www.nwu.org)). It's a great resource for free lance assistance. Make your job specs as exacting as possible: you'll still get a lot of resumes.



## HOW ARE YOU GOING TO GET THINGS DONE? WHO'S GOING TO DO WHAT?

NOTES

TASKS	POSSIBILITIES
Standard letter	Self to start
Telemarketing script	Self to start possibly with caller's assistance
Brochure Writer Designer Printing	NWU, temp, feature writer on a trade paper Simple graphics package, copy, printing or graphics shop, free-lance designer On-demand printing or copy shop
Part-time caller	Classified ad in local newspaper
Contact management system	Evaluate ACT, Goldmine, Outlook Express
Stationery	Self, Kinko's, demand printing
Couriers	Shop for service
Postal services	A great resource: U.S. Postal Service Web site: <a href="http://www.usps.com/smallbiz/">http://www.usps.com/smallbiz/</a>
Marketing coordinator	Intern or temp

## OTHER RESOURCES

**Visit a library or bookstore with a good marketing and sales section.**

Browse around. See what resonates with you. If you want my recommendation for one book to read above all others, I would pick *Consultative Selling* by Mark Hanna (New York: Amacon). The creator of the term "value added", Hanna presents significant ideas sure to inform your thoughts about marketing and sales. If that does not appeal to you, I urge you to read something to stimulate your thoughts and ideas on a crucial function of your business.

**Possible areas of investigation:** strategic and marketing planning, sales, telemarketing, direct mail, advertising, publicity, electronic marketing.

## NOTES

Here are a few other favorite titles that I still dip into decades after first reading them: *Managing in the Service Economy*, James L. Heskett, Harvard Business School Press  
*Direct Marketing Success*, Freeman F. Gosden, Jr., John Wiley & Sons, Inc.  
*On Writing Well*, William Zinsser, Harper Perennial  
*Born To Raise*, Jerold Panas, Pluribus Press, Inc. (About great fundraisers, *Born To Raise* is an inspiring book for anyone engaged in marketing and sales.)

These are my choices. Do find others that might better suit your interests and tastes.

You also might stop in to a good magazine shop in your town. There's much to choose from amongst the marketing and sales titles.

**OTHER MEDIA**

A readaholic — nothing is true unless I see it in print — I'm not too familiar with other media, yet I know that you can find most of the topics discussed in this book on DVDs, VCRs, audiocassettes and, of course, online. Enter almost any subject in this book into your browser and I'm positive you'll find many, many citations, references, and links.

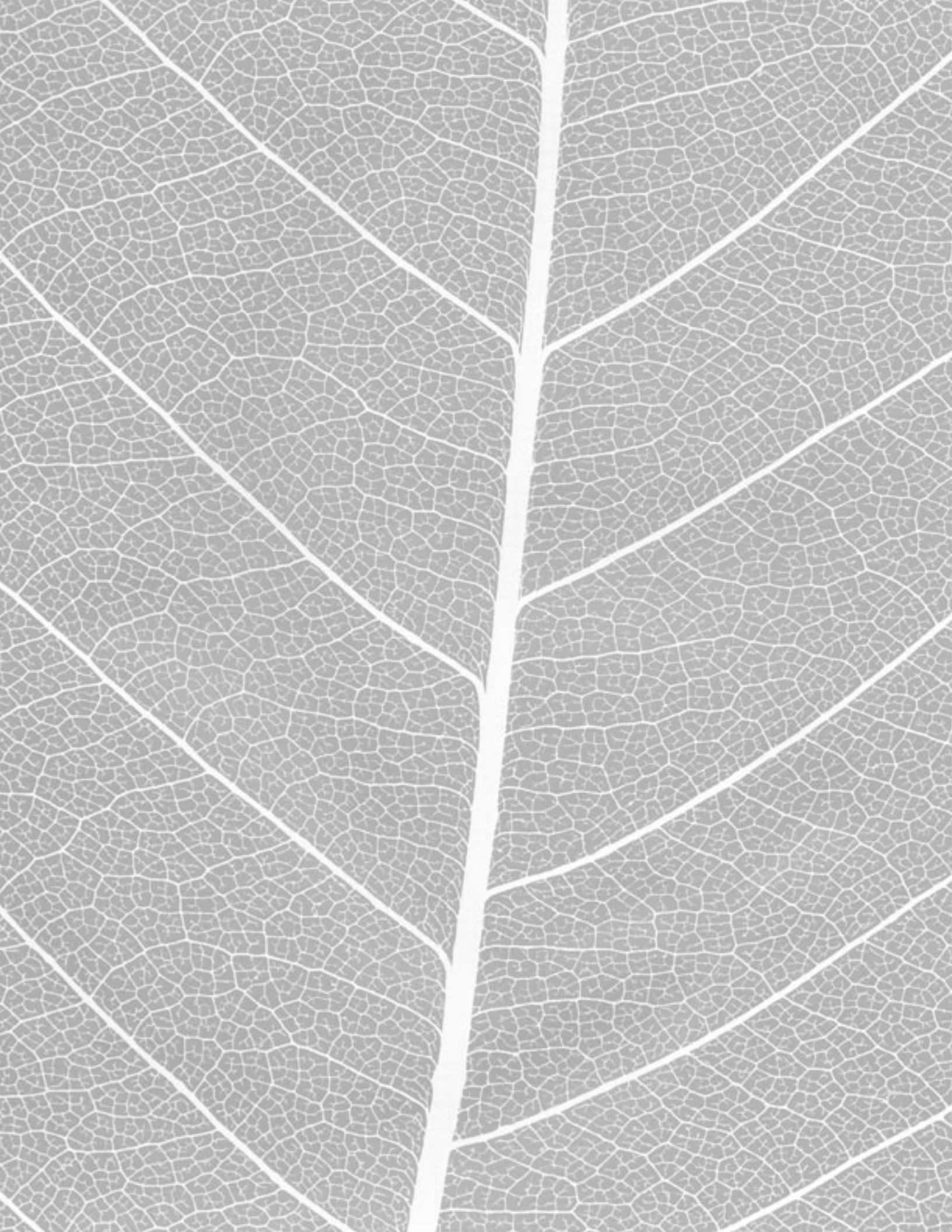
**A SIMPLE PLAN**

Here are some ideas for who does what. But in what sort of time frame? Jump ahead to Step 7 and read the section about Timelines (stripped down plans). Start working with them now. Use a simple timeline to plot the coming weeks (rather than months), something like *Weeks One through Six* on the opposite page. Download the form from the Toolshed to sketch in your first timeline. Use a pencil. Keep an eraser nearby.

NOTES

TIMELINE: WEEKS ONE THROUGH SIX						
TASK	WEEK ONE	WEEK TWO	WEEK THREE	WEEK FOUR	WEEK FIVE	WEEK SIX
Content Business Case Sale	First Draft completed Obtain feedback	Make revisions Final version				
<i>Content: Copy Platform</i>			First Draft completed Obtain feedback	Make revisions Final copy		
Pilot Project	Start Working on list	Look for caller	Shop for courier Find out about USPO options		Prepare standard letter, script	Start calling

Let your timeline evolve as you organize your marketing and sales business process. It will be second nature by the time you're ready to prepare one for your first full-bore marketing campaign.



### STEP 3. CONTENT: LAY THE GROUND WORK FOR A BUSINESS CASE SALE

What is your most important message? Marketing ultimately reduces itself to one question: Why do they buy? Often the question, especially in B2B marketing, can be refined into *how will the prospect make or save money?*

The marketing world has a number of buzzwords to help us answer the questions. One, mentioned in the previous section, is “value-added” (the new incarnation is “the value proposition”). You’ve probably also heard of the “unique selling proposition” — the ever popular USP — and the equally ubiquitous “competitive advantage”, often the “sustainable competitive advantage”. It all comes down to one question that hasn’t changed in all the years since I first entered marketing: what makes you different from the others in ways that will make or save money for the client?



That’s easy, you say. You’re better, faster, cheaper, more advanced, more powerful, more reliable, of higher quality, custom-made, nicer, friendlier, and to boot, attend much more carefully to the client’s individual needs than lowlife competitors who rip them off. There are several problems with this:

- almost every claim on the list is used by your competitor
- some of these overworked words — quality and reliability, for example — should be used sparingly
- claiming too much depreciates your claim

Ergo, it’s a case of poor or no **positioning**.

It has been said ad nauseum in real estate and retailing that there are three principles: location, location, and location. In B2B marketing, there are also three principles: positioning, positioning, and positioning. Quality and reliability, for example, are tried and true positioning, yet today they are vague and abstract. You must drill down so that you **demonstrate service differentiation and innovation**, and then explain how it will make or save money.

Example: Marketing for Smarties...a quick read, a lifetime resource

The positioning implies:

*speed*...you’re going to learn a lot fast; you can do so because you’re smart

*substance, durability and cost effectiveness*... you get a lot for your money because the book has substance that you’ll use for a long time

## NOTES

This is good positioning and a fairly good business case sale, yet not good enough to make a true business case. The audience for this book cuts across a wide swath of service capabilities and market sectors. Yet, it's not possible to quantify how long it will take to read the book, install the business process described, forecast how much money will be made or saved, and what the Return on Investment will amount to. Here are some questions that you might ask about your service to help arrive at more precise positioning and a better business case:

- Will the service you provide attract hordes of new customers-say, an increase of x% a year, thereby attaining a rise in revenues of y% and profits on the order of z%?
- Does it mean that the client will be able to charge more, making his business more profitable? If so, how can that be quantified?
- Or does it mean that the client's staff will have to spend 20% less time per customer per transaction, thereby enabling the client to fire 10% of his employees, adding 15% to his bottom line?

Getting your positioning right is crucial. If you can demonstrate the *benefits* by quantifying it, then you have the invaluable asset of a business case sale.

Here's something else for you to ponder while working out positioning. If you've read *Whose Business Is It, Anyway?* on The Planned Growth Company's Web site (under Free Food for Thought), you know that getting some distance between your business and yourself, seeing it as an entity separate from yourself, is an important matter. One of the best ways to avoid the traps of over-identification of business and self is to market the company rather than yourself.

The Planned Growth Company has had highly successful clients whose marketing and sales were completely in the hands of the owner or the owner and a partner or two. The owners were frustrated and baffled by their inability to make the business grow. Indeed, that was the reason for hiring our marketing services firm in the first place.

Often, the solution was to enhance the role of others in sales and service delivery, and then find ways to market the enterprise. Even with few employees, the company can be presented as an organization. Perhaps yours is a virtual business that uses independent contractors and outsourcing vendors. That's now a highly marketable business model, yet if you want the structure to remain opaque, that's okay, too. What's important is that you sell your company and not yourself.

Consider **the service triangle** (page 20). Adherence to the triangle positions the business so that customers develop loyalties to the company and employees.



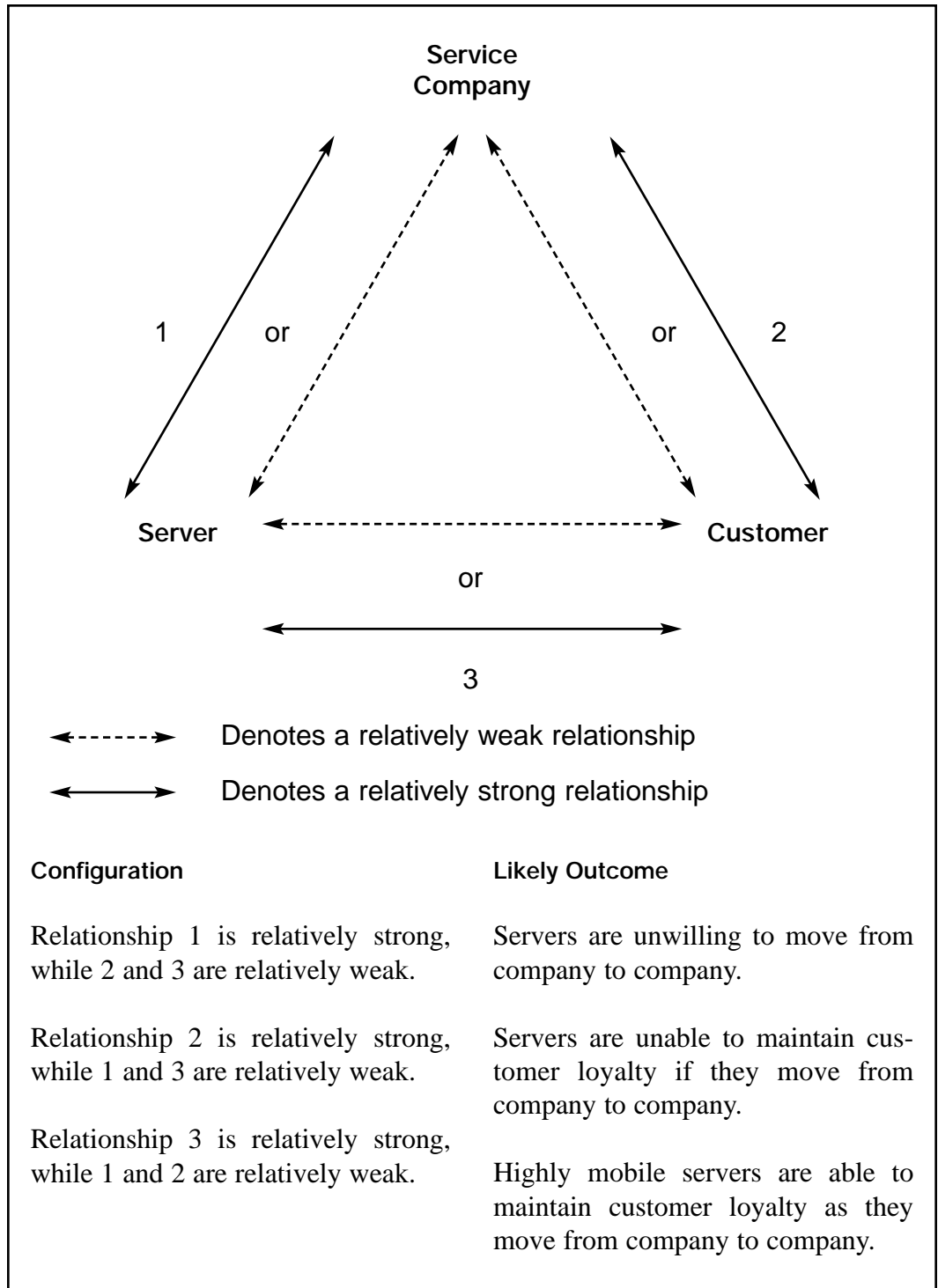
Salespersons and service deliverers (including outsourced deliverers) can and do walk off with customers unless you structure the business so that the company sustains a presence at service transactions.

There are many ways to do that. Relationship building through database marketing (outlined in Step 11) is an excellent strategy. Another is to present your service as a process with each constituent part separate, each with its own name, and everything documented in a uniform graphics system. It helps if the customer has to sign off on many of the documents. Another approach is to have your service providers wear uniforms (at least company shirts), and use equipment displaying your brand; this, too, enhances the company's presence.

These marketing techniques make the business less dependent on you while making the customer feel she's dealing with a stronger organization. The model may be difficult to turn into a reality now. That's OK. The key point here is to begin thinking about your business as a separate entity from yourself.

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**THE SERVICE TRIANGLE**

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**DETERMINE YOUR POSITIONING**

NOTES

Decide your positioning based on your unique selling proposition, competitive advantage, value-added, or value proposition. Go over the foregoing. Talk to your minister, rabbi, imam, or shaman. Then write down the main ideas, the key phrases:

Excellent. Now quantify. Through your service, the client is likely to:

Increase:

Number of unit sales:

Anticipated revenues:

Decrease:

Number of employees:

Other costs:

This is meant to suggest a simple formula. You may have other, more appropriate and complex parameters to use in your calculations.

