

May 2008

**Q.**

I am helping a friend set up a new business that services and supports residential and commercial PCs in Lower Westchester. I will be helping him with the sales and marketing, operations and general administration. As you can imagine, we are operating on a small budget. My background is in sales and marketing at Fortune 500 companies, so all this end-user detail is new to me. How do I take what I know about marketing and apply it to a small business?

**A.**

Your question is a common one. I've encountered so many professionals who come from the large corporate world and are suddenly plunged into the realm of small business operations and marketing. Only savvy, thrifty, pragmatic and flexible people survive the transition.

I myself am a "corporate transplant." Although I started my career in small businesses, I spent most of my working life with Fortune 1000 brands. I left the big business world five years ago (after achieving a "C"-level position) and started my own marketing consulting and business development firm. Here is some guidance, based on what I've experienced and observed.

#### **Get to Know the Business**

Entrench yourself in the day-to-day operations of your friend's business. Understand the history of the business, its financials, its customer profile and its competitors. Talk to the people who work at the company and interview customers. Unlike big business, where marketers rely on focus groups, market research and CFO summaries and analysis, small business marketing requires a very hands-on and intimate approach. If you are starting a business, look to other similar businesses and products for "gaps" – talk to prospects (at conferences or networking events or via phone) to better understand what needs are not currently being met. It will help you refine your product, service and messaging.

If you are learning a new industry, read as much as you can about that category. And "downsize" your reading list: Subscribe to e-zines, blogs and print publications that relate to small business marketing and management specifically. Budget permitting, attend an industry conference.

Summarize everything you discover about your friend's business – background, financial picture, competitive arena and opportunities and risks. But resist the urge to issue a 100-page report or PowerPoint deck. Instead, capture it all in a five-page bulleted summary. In the small business world, no one has time to read, analyze and pontificate. Cut out the fat and focus on the facts.

Review your findings with your friend and other key team members. If this phase is done well, you'll be bringing new insights and an objective perspective to the company, elements that may not have previously surfaced because your "client" has been too close to the day-to-day demands of running his business. All that said, keep in mind that small businesses, like big businesses, cannot put a hold on their day-to-day activities while embarking on planning and analysis exercises. Make sure you understand what needs to be happening short-term to keep the business moving while you develop longer-term plans.

#### **The Basics of Marketing Still Apply**

Small businesses don't have the budget or time for complex branding exercises and multimillion-dollar marketing campaigns. That said, the basic principles of good marketing still apply.

1. Create an integrated, living, breathing marketing plan. This is essential when budgets are limited. Very clearly and specifically map out how you plan to spend every marketing dollar, and set payback targets. Review and reforecast monthly, but be patient and allow sufficient time to read and analyze results.
2. Develop a clear, competitive, consistent positioning and a professional graphic identity. Work on developing language and a look that everyone can embrace. Many freelance graphic designers are also "corporate drop-outs" and can knock out great, fast branding work cost-effectively.
3. Match the tactic to the budget. Big businesses can often afford a marketing plan that includes a brand advertising campaign, a full-scale direct mail program, customer events and trade show presence, Web marketing efforts and a full-scale PR launch. You may find yourself in a position where you need to pick and choose, or pace your spending to follow the business growth curve. That said, marketing works best when it's fully integrated. For example, an effective Web, PR and networking campaign may deliver the same results as traditional advertising and can be well executed without a huge spend.
4. Be nimble and creative in stretching every dollar. Look at every single aspect of your marketing plan and brainstorm ways to get more for less. When buying third-party services, always ask yourself, "Is there a less expensive way for me to still get great-quality work?" Research is important but can be conducted online or via phone interviews. Shop around for competitive pricing on services like printing.

5. Build alliances. Small businesses become very dependent on one another for mutual opportunities to grow business. Develop a networking and outreach plan to align yourself with key strategic partners who can bring you new leads and new solutions. As long as they are not in a competitive company, small business marketers and other business owners can be very generous with their ideas and suggestions.
6. Get your hands dirty – very dirty. Many big brand marketers are used to having teams of people around them – agencies, researchers, purchasing departments, IT gurus – who help them “get it done.” In the small business world, you are it! So, take off the white gloves and delve in with both hands (and feet). Even if you once thought that reviewing proofs for a printed piece or conducting outbound telemarketing was “beneath you,” you’ll find that it’s the best, fastest, and most cost-effective way to get things done in the small business world.

### **Setting Marketing Investment Priorities**

Unlike large businesses, where extra marketing dollars can often be “found” somewhere (in another project or another department), small businesses have no “magic stash” of extra marketing money.

Establish a budget that makes sense for the size of the company, and then go through the exercise of figuring out what you would cut first if you needed to scale back. Conversely, determine how you would spend 10% more if you had the funds, and figure out what the upside of that investment could be. Discuss these spending scenarios with your friend. If the business is faced with competitive pressure or is launching a new product/service, taking a calculated marketing risk could be an important step in building the business.

### **Define Your Role Within the Company**

As in any business – large or small – the role of a marketer is not just to develop the brand and plan and execute programs to drive new business. The marketing leader must also act as the “voice of the customer,” the visionary, the cheerleader, the risk-taker and the analyzer. And every business – whether it’s one person or a million people – needs that marketing force within it. You’re just doing it with a smaller budget now.

*Nancy A. Shenker is founder & Principal of theONswitch, a marketing consulting company specializing in start-ups, launches, and transformations across many industries, including health/wellness, real estate, education/kids, and retail. She can be reached at [www.theonswitch.com](http://www.theonswitch.com).*

*This article was originally published in the New York Enterprise Report.*