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# **Top 10 Marketing Mistakes Made By New & Emerging Business Owners**



# Top 10 Marketing Mistakes Made By New Business Owners

Welcome!

In this special report you will learn the most common marketing errors made by new and emerging business owners. This list represents the reason that most businesses fail in their first five years...

Apply what you learn and you will have a better chance of beating the odds and generating long-term success for your business.

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If you are making any of these mistakes, you now have the awareness to do something about it. Fix even one of them and you will see your marketing results improve.

For your marketing success,



Paul Keetch  
Co-Creator, Make My Marketing Work

## **10: Do Not Maintain a Prospect/Customer Database**

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If you've been in business for any amount of time, you can probably already relate to this one already. It takes much more time, energy and effort – not to mention money! – to get a new customer or prospect to check you out.

Let's say you implement a marketing campaign that works, driving new prospects to your website, store or toll-free number... but they aren't ready to buy on their first visit.

In order to be able to follow up with them after that first encounter, you must have a system for capturing their information and getting their permission to contact them again while you have the opportunity.

This can be as simple as asking them directly or getting their implied permission by giving them something of value – like a whitepaper, free special report or special discount – in exchange for their contact information.

## **9: Branding Instead of Marketing**

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Almost every business owner has made this subtle mistake at one time or another... I know that I have! In fact, it's a natural trap to fall into, particularly when you are first building your business. But it is definitely something to avoid if you want to get the best return on your marketing investment.

Brand advertising is what big budget companies do to promote awareness of their company in the marketplace. Big companies like Coca-Cola, General Motors and Microsoft all have huge, multi-million dollar advertising budgets to help ensure that their name and image is widely seen and recognized. When a critical level of awareness is reached brand advertising can become very effective. But you can be sure that these big companies didn't get big by spending all their marketing dollars on brand awareness.

Marketing is about introducing your business to prospective customers with the end goal of transforming that prospective client into a paying customer.

Brand advertising is meant to create awareness of a company or brand identity and is not directly measurable when it comes to resulting sales revenue.

In order to grow your company you want to focus on marketing campaigns that are more direct-response in nature and which lead naturally to a more immediate sale.

## **8: Inaccurately Measuring Marketing ROI**

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Your marketing ROI (Return On Investment) is how well your campaigns produce the desired result of increased sales revenue. Unless you are seeing a positive result, your marketing efforts are costing money, instead of creating money for your business.

Understanding how return on investment works is the first key to evaluating your marketing campaigns. Many business owners compare apples to oranges, assuming that any revenue generated from a marketing promotion can be applied directly to the cost of that campaign.

If you spend \$1000 on an ad that generates \$1500 in revenue, it would be easy to think that you had a positive return on investment. But in reality, you must deduct all of your regular business costs and operating expenses from the sales revenue first. Only then can you compare apples to apples.

For example, if the average profit margin on your product or service is 20%, then your true profit number on \$1500 in sales revenue is actually only \$300. Simple math shows that you actually lost \$700 on your campaign.

This might be okay if you already know that, once you have a customer, they are worth much more than that over the long-term. But mistakenly assuming you generated a positive ROI on this campaign can put you out business very quickly.

## **7: Not Using Free Publicity**

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There are essentially two ways to get coverage in the local radio, television and magazine media relevant to your business. The first is to pay for advertising space and the second is to get your business mentioned in an article, story or other feature.

The power of the media to grow your business should not be underestimated! Consumers tend to believe what is reported much more favorably than what they see in advertisements and other marketing efforts.

While there is certainly no guarantee that you will get the coverage you seek, there are some things you can do to give your business a greater chance of getting high-value coverage. Here are a few:

- Be intimately aware of the pressing issues that face your prospective customers and create a compelling solution-based story around those issues

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- Create service-based relationships with the reporters, writers and newsmakers who cover stories in your area of expertise by providing them valuable industry information, connecting them with other experts and trying to understand more about the specific person you are going to pitch your idea to.
- Using your knowledge of the industry, craft a controversial approach that will grab readers' attention and pull them into an article. Controversy always pulls in the eyeballs! (Just be sure that you aren't degrading the perception of your company in the process.)

### **6: Assuming Customers Are "Just Like You"**

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Many business owners start a company based around their own passion and/or expertise. Because they are so intimately involved, and because they are so passionate about their business, these business owners tend to believe that their prospective customers are just like themselves... something that could potentially lead to devastating effects.

Assuming that you are your perfect customer is a common strategic error that can be overcome by associating yourself with your business and disassociating yourself from the product or service you provide.

A business exists to provide value to the customer, not the other way around. If you erroneously assume that your prospective customers are just like you, they may be left feeling like you don't know anything about them. And no one wants to do business with someone they don't believe understands what they want.

Of course, it's possible that your customer is, in fact, just like you. But you must prove this by doing the appropriate market research and tailoring your marketing promotions to what you know to be true, instead of what you believe to be true.

### **5: Not Spending Enough Time Marketing**

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Or, to put it another way, spending too much time working "in" your business, and not enough time working "on" your business.

Unless you started a business because you love business, chances are you are not spending enough time on the strategic business-building elements of being a business owner. This happens because many owners start a company because they are technically very good at something or have a deep passion for a particular topic or subject.

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The primary purpose of a business is to generate a profit. Profits are created when you sell your goods and/or services. Sales are created when you market effectively to your prospective customers and create the desire to do business with you.

If you are spending less than 50% of your time and energy on marketing, then you are simply not going to get the growth that you want for your business.

### **4: Too Broad a Customer Focus**

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When it comes to who to target your marketing efforts towards, many business owners naturally think, "More is better." Unfortunately, this couldn't be further from the truth.

The reality is, when creating your marketing messages it is important to remember to speak only to one person, not the general population. People want to feel as though they are part of a conversation, not listening to a monologue.

When you try and reach "anyone and everyone" with your marketing communications you will end up speaking directly to no one. In the end, you will merely alienate your prospect and convince them to do business with someone else.

When you focus very tightly on a specific group of prospective customers and use their own words to speak to them about their problems, you will naturally and automatically attract more prospective customers willing to do business with you and only you.

### **3: Too Narrow a Competitor Focus**

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Who are your competitors? In what ways could they undermine your business goals and objectives? Knowing who your customers are is important – imperative, really – for a great many reasons.

The two most important reasons are:

1. Your direct competition represents a potential customer base for you to acquire (after all, you already know they are willing buyers of products or services similar to your own); and
2. Because they are a potential threat to do the very same thing to your customer base.

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Challenge yourself to broaden your definition of who your competitors are by remembering that a competitive factor is anything that can adversely affect your ability to produce profit. (That is the purpose of a business, after all.)

Think of your competition in three ways:

1. Direct competitors are those businesses with whom you compete directly on a day-to-day basis with a similar product or service in the same marketplace.
2. Indirect competitors are those other businesses who compete in your marketplace for a similar segment of your customer's budget allocations (for example, DVD rentals and live musicals also compete indirectly with restaurants and video game systems for entertainment dollars).
3. Variable competitors are those external factors, such as the weather, construction, labor strikes or any other factor that could prevent your customers from doing business with you (think about how restaurants could be affected by a garbage strike).

## **2: Describing Features Rather Than Benefits**

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There are three specific ways that you can describe your product or service to your prospective customers using your marketing communications:

1. Features are the physical characteristics of your product or service (once a day vitamins).
2. Advantages are the direct result of the features (you'll feel healthy every day so you can be a top performer).
3. Benefits are the intangibles that come after the features provide you with an advantage (you'll live a long, happy life with your family and friends, enjoying your sunset years on a beach by the ocean).

If your marketing messages speak more about your features and advantages than they do the benefits that your customer will gain by purchasing from you, then you are leaving money on the table at every turn.

When you talk about the features and advantages, you focus entirely on you and your business – and your prospective customers can read this a mile away!

Instead, when you use words that resonate with your prospective customer to show that you understand their fears and their dreams and that you have a solution that might be a fit for them, you are focusing on them – and they can read that a mile away too!

## **1: No Strategic Marketing Plan**

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Far and away the most common mistake that new business owners make is not having a strategic marketing plan from which all other marketing activities spring forth.

Having a strategic marketing plan for your business provides an answer to the question of “why” you are marketing whereas your specific marketing activities answer the question of “how” you are marketing.

Going through the process of developing a strategic marketing plan and learning the fundamentals of marketing is an important tool for the success of any business. Reviewing and revising that marketing plan, along with all of the factors that contribute to its development on an annual basis is equally important for the long-term growth of your company.

In the end, until you can afford to hire an expert to do your marketing for you it will be up to you to take care of all the details. Doing so can be incredibly rewarding, especially when you implement a promotion that works better than you’d hoped or expected.

And the more you know about marketing now, the sooner you’ll get the point where you can hire someone to implement the marketing plan for you. However, as the owner you should always be involved in developing the strategic plan for your company’s marketing program.

### **Make My Marketing Work**

The Make My Marketing Work training program is unlike any other available for new and emerging business owners. It features:

- 323-page interactive workbook delivered in 8 modules
- 5 audio training CDs so you can learn while you drive
- Multimedia delivery – you will learn by seeing, reading and doing
- Practice as you go for instant feedback!
- Develop strong success habits to ensure you implement what you learn when the program is complete
- Create your very own custom marketing plan

Learn more by visiting us online at  
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