

Welcome to "Demystifying Digital Marketing" with Rich Collins, Thirst Productions. A small, boutique digital marketing agency based in Chocoura, NH January 18th, 2022

Marketing vs Advertising, what's the difference?

To me, marketing is the art of creating a brand (aka your business) and presenting its messaging to attract, retain and influence the right clients to take action. Advertising is simply a component of marketing – getting out the message. Most people advertise, not market. Don't just believe just me!

"In basic terms, marketing is the process of identifying customer needs and determining how best to meet those needs. In contrast, advertising is the exercise of promoting a company and its products or services through paid channels. In other words, advertising is a component of marketing." Source: <https://www.ama.org/pages/marketing-vs-advertising/>

Most businesses advertise, they don't market. This equates to throwing a huge untargeted net into the ocean hoping to land on a fish. We want to use bait, attract the fish, then throw our specialized nets to them, so our efforts are limited and our profits are maximized.

I think of radio or newspaper ads as the best way to describe most advertising. You have a service, say hearing aids, and you plaster your advertising dollars across these platforms. What percentage of people actually need hearing aids, and what percentage of them are in the market for new ones? The pool you are fishing in is enormous and there are only a few fish out there. These types of mediums do work, but more out of rote repetition than anything. It takes literally hundreds of impressions to make things "stick."

Facebook/Instagram/Social Media is free, why would I need to pay for a website or a digital marketing strategy?

Hootsuite: The average reach of an organic post on a Facebook Page hovers around 5.20%. That means roughly one in every 19 fans sees the page's non-promoted content.

Have a million fans? You'll do fine. Have 100 fans? You're reaching 5 people. While cheaper than sending snail mail (most of which will end up in the trash) it's time-consuming and generally only benefits Facebook's advertisers when you rely on it. Your content generation keeps them in business and they control who sees what based on their own interests. This is bad. You're basically working for them and you don't even know it.

Decide to pay them for ads and boosts to get more visibility? Great. Your tools just got more powerful and more expensive, but you still cannot control the outcome. Don't get me wrong, these tools are super-powerful and essential, but if you don't have a strategy, you're just throwing sand into the wind.

All my business is referrals, why would I need to market?

Most businesses do not generally grow rapidly on word of mouth. Do they grow? Yes. Is this a long-term means to success? Let's just say you'd better be really good at what you do because most people don't make recommendations. They just don't. Ever try to find a contractor in the Valley? Some people no longer give out the names of their hard-to-reach people because they don't want to share. Think about it.

By actively marketing and advertising, you can come to scale quickly (aka be an entrepreneur) versus spend years building a brand through hard work and hard labor relying on the altruism of others. With labor shortages, you need to make more to pay more to your workers, and waiting for referrals, while a terrific way to do business, is not going to get you ramped up to scale to grow your business. We all love referrals and the better you are at what you do, the easier this all gets. But most young businesses struggle at something, no one steps off the bus a superstar, we learn, we make mistakes, we grow. When you have matured to the point where you're the 'go-to' for a service, you can reassess your marketing and advertising strategy. But until then, it's a hustle.

And as an aside, most people fall into a cycle of choosing to advertise and market when they need money or business (this is not the time!) ongoing marketing and advertising keep the lead generation funnel full so when the time comes for you to seek new business, you have leads on hand and can hand-sell or do direct outreach, and even offer sales or discounts to people on the fence. Put a coupon in the paper? You'll find mostly that your loyal customers who would have paid full price anyhow because they love you – will take advantage of that, costing you money. Target your promotions – not blanket them.

Websites are expensive.

All marketing and advertising efforts are expensive, as is fuel, your time, hiring/labor and utilities. Costs are skyrocketing, but profits are not.

As a business, you should allocate 7-8% percent of your gross income per the SBA to outreach. But I say be smart and invest in means to gain the RIGHT clients. 20-30 percent is even better...provided you have a service people want and need and active competition. Only game in town? You're lucky. But as we see more growth in the area, competition is heating up (which often drives down prices and erodes profit).

Strive to be the best at what you do by creating a messaging platform (website/social media/email outreach) so that people look to YOU as the best of the best. A website is a reflection of your business and reinforces your messaging. It serves as both an entry point to introduce you as well as a validation point to prove you know what you're doing (or at least pretend to) – one has to be realistic, sometimes the best-marketed businesses are the worst at delivering.... Drive a beat-up rust bucket with offensive stickers that leaves a trail of burnt oil fumes as it drives by? You won't get much business. Look professional, be professional. Online and in person. Be accessible, be friendly. Your website is the primary vehicle you should use to present yourself to potential customers.

Attracting the Right Clients

Even though you may be 'booked out' or 'already too busy' – you need to ask yourself, am I attracting the right clients, the right jobs, and maximizing my time-to-income ratio. In other words, are you working hard or are you working smart. Marketing is the act of presenting your business to the world. Advertising generates awareness, but marketing encapsulates your message. If your business is "affordable" you want to be cheap, and portray that message with discounts and coupons. But if the quality is your gig, present beautifully with lots of photos and samples of your work.

By using your website as an extension of your sales team to screen, educate and weed out non-profitable clients (or those who simply seek a service you don't offer) – the benefit is huge. If you don't do small jobs, for example. Say it front and center. And if you don't work on a particular technology or product (asphalt roofing versus metal roofing) say it. If you are throwing your net too wide - you'll spend far too long screening and taking bad jobs.

Why Digital Marketing?

Capturing potential client info is huge. Having a database of potential customers who may be interested in your service or product is key to keeping yourself top of mind when/if they decide to take advantage of your services. Marketing and remarketing via email campaigns are proven to be one of the most affordable and successful ways to generate (good) business. If you spend most of your days developing proposals, doing estimates, and meeting with people only to find out the jobs are not what you really love to do (or make a lot of money doing), or you are constantly lowering prices to keep "competitive" – you may be doing something wrong. Most small business owners no longer do the work, they are busy trying to sell the work, and can fall flat when they rely on others to do what they do best.

Step 1: Become the subject matter expert.

Step 2: Inform people that you are the subject matter expert

If this doesn't make immediate sense, ask yourself, why does L.L.Bean demand a premium price for basically the same items you can get for a fraction of the price at Wal-Mart? We all know it is true. Because: quality, service, and reputation. Even though they have done away with their lifetime guarantees they still demand premium prices for basically the same clothing and goods you can get elsewhere, cheaper. Why? Because they create the illusion of a lifestyle most of us want. Wal-Mart creates the illusion of cheap prices and no-frills (and delivers for certain...) But low prices don't sell experience. When it comes to buying a bathrobe, for example, we all want soft, luxurious and beautiful. We don't want cheap and scratchy. But when it comes to a commodity like ketchup – low price leads. If you sell on price alone you might be missing an opportunity. Most people will pay a premium for goods and services if they perceive value. We want to create messaging that tells people you provide the best value (not always the best price). We do that through messaging.

I have a website now and it doesn't do anything for me.

First of all, have you really looked at the content, the message? Is it alluring? Do you display yourself as the best of the best? Is it attractive, intuitive, and easy to use? On all platforms (mobile is now the dominant tool in the market so it better work flawlessly on a phone!). And do you optimize it for Search Engines (an incredibly popular way for people to find businesses). While a strong web presence certainly isn't for everyone (a taxi business for example may do more advertising than marketing) nearly all businesses in the area support tourism, homeowner, or utility services. All of which are quite competitive. If you use a free/cheap web builder, do not optimize your message or your technology, and actively monitor, manage and update your content, it won't work. You're simply doing it wrong. And just because you paid a lot for it doesn't mean it's built with you in mind. "Build it and they will come" does not work here. It's a long-term commitment for certain and will consume time and money. If you can honestly say you don't see the returns on a well-built marketing strategy, we should talk! Some businesses do well offline, but most do well with a balance of online and offline tools.

Conclusion

I hope this helps to "demystify" some of the thoughts that prevent people from embracing a good marketing strategy. Digital is cheap(ish) but highly effective, targeted, reusable, and can benefit businesses of all shapes and sizes. Should you have any questions or interest in taking your business to the next level, please feel free to reach out anytime via email rich@thirstproductions.com or my website (<https://thirstproductions.com>). Just mention that you saw this presentation with the MWV Chamber and I'll do what I can to assist! From managed websites to hosting and WordPress development, I do it all for clients who fit my own unique model. Hopefully, my website (and my presentation) project this.

Be well, and thank you to the MWV Chamber for providing me with the opportunity to speak.

Rich Collins