

# 15 Classic Marketing Mistakes in Business & How to Avoid Them

By Rob Salisbury



**Y**ou have a great idea, product, service or gizmo that the world can't live without ... congratulations! Now, before going out to make millions, check this list and eliminate some of the biggest marketing mistakes common to micro and large business.

## **1. Register your business name with the proper local, state & national authorities.**

Recently a national television advertising campaign in Australia was shut down because a company had used the title 'dangerous when wet' to describe their product and service. That name is a registered name of a book by seven-time world long distance swimming champion Shelly Taylor-Smith. As retired sports figure and professional speaker, she has earned the right to use that name and had it trademarked. Check the name you want before going out to market your product, service or company. It could save you tens of thousands or more.

## **2. Make sure you have enough insurance coverage.**

How much insurance is necessary? The answer depends on dozens of variables. One of the most costly

errors in business marketing is not covering your business against almost everything. Check with your local insurance agency or go to the Yellow Pages for an expert on call. Shop around, talk with other business owners in your industry and meet with at least three agents before making your final decision.

## **3. Have your business plan & marketing strategy in place and within reach.**

Most mistakes are made in the actual process of doing business, not in the planning. The old phrase "plan your work and work your plan" is still true to the times. Plans can be a minor or major investment of time and painstaking effort depending on the complexities and circumstances, yet also an incredible return when it works.

Plan your plan, do your plan and then review your plan. This simple three part system will keep you on track if you do so on paper or in your



personal computer, therefore keeping the details of your plan out of your head and within reach.

## **4. Have enough liquidity & credit to go through the seasons.**

Why is their often more month left at the end of the money, than money at the end of the month? Financial planning is critical. To avoid finding your business in the above position, get your bookkeeper, financial adviser and accountant on your financial team from the start.

## **5. Promote, market & sell on quality & value – not on price.**

Selling on price only is one of the surest ways to be out of business quickly. Unless your business is an international or national brand, avoid discounting. You will be hard pressed to sell on value and quality if your best plan is discounting to match price.

When was the last time Australian Airline Qantas put first or business class tickets on sale? Answer - they don't. People who want high quality service and value pay for it.

Economy class passengers sit in basic seats, with basic service with other passengers all vying for the same basic restrooms because that is what they can afford or justify for the flight. First class and business

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class pay five to fifteen times more for their experience because the in flight service and quality is perceptually worth it.

## 6. Lower the buyer risk with return & guarantee policies.

Get your return policies and guarantees in print and inform your customers of that benefit right up front. Reduce 'buyer beware' mindset by informing your customers about your return standards. Let them know about the obvious and unseen benefits of shopping from your company and purchasing your products and services.

## 7. Build up your customer database from day one.

With no database of customers, many businesses rely on walk-in traffic. Another error often made in retail, one to one services and small firms with less than 10 employees.

Learn from American Express, one of the most successful companies in the world. Divide your customers into groups: top clients, perhaps labelled platinum, next category gold, next green or similar to the Olympic medal colours of Gold, Silver and Bronze as a referral base.

Your database is one of the most valuable assets of your business. Unless you're a national brand like McDonalds, Shell, Amazon Books or Wal Mart, ensure your customers are receiving regular communications in the form of newsletters, e-mail updates, phone calls, special cards on anniversaries or birthdays when appropriate.

## 8. Big bank hours are best for big banks – not new or unproven businesses.

Maintaining banking hours is one of the surest ways to go out of business quickly. Understand the niche your business serves and be open to service customers more when they are ready, not when you are ready. Learn about your customers buying needs and habits.

## 9. Get your business cards out at every occasion.

They are one of the best 'low cost-high value' advertising and marketing items anyone can have for their business and they work.

## 10. Think like an employee & your business will be out of business.

Think like an entrepreneur and you will probably make it in business. Don't punch the clock in the morning and read the paper. Read books on marketing and sales, go to educational seminars to get ideas to promote your business and learn successful ideas from others in your industry or locality.

## 11. Ask lots of questions, don't tell, tell, tell.

Ask customers why they have shopped at your business and why they come back again and again. Success leaves clues. Ask your customers the easy questions and listen for the answers. Remember: "Tell, tell, tell and you won't sell ... ask, ask, ask and you go to the till."

## 12. Stay in touch at least once a quarter.

Out of touch, out of sight, out of business. People buy from those they like and trust. Treat customers like trusted friends and your business will be in demand and profitable through word of mouth momentum and repeat sales.

## 13. Become the expert but not the technician.

Market your business by becoming the expert in your field or locality but not the technician. Become the best shoe salesperson not the shoe repairer – hire one. Selling shovels is more profitable than digging holes. Focus on generating cash flow and income for your business, not the work that goes with it. Outsource your weaknesses or tasks you are not good at or do not like to do.



## 14. Squeeze pennies, make every cent count.

Spending money on premises, new furniture, fancy phone systems and stationary will drink cash flow and often does not add value to a business. Start with quality and avoid buying new unless it is the right move for your image, identity and business strategy. Budget and make every penny and dollar earn.

## 15. Become a service & quality fanatic.

Consistency is important from the beginning. High service standards and quality in your business matters is fundamental for emerging businesses to get off the ground and fly for a long time.

Avoid these classic marketing mistakes of small to medium business and you will avoid becoming a statistic and six-month business wonder.

## About the writer

Rob Salisbury B.Sci. CSP achieved early success as a Fortune 500 top achieving sales professional. He became a Tom Hopkins' Certified Sales Trainer in 1988 and served two terms as 2001-2003 President of the NSW National Speakers Association of Australia.

He is **not** a known celebrity, entertainer or sports star, however, his clients know him for helping them achieve results. To them, he is a trusted partner and strategic business asset.

His international experience spans seven countries with 350 Australasian firms in sales and marketing projects. He has been based in Sydney since 1997 and been a lecturer at the University of Wollongong and TAFE Colleges helping graduating students in gaining employment since 2001.

