



Presented
by
Tom Shay



P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Power Promoting!

Because the purpose is to create a customer, the business enterprise has two—and only two—basic functions: innovation and marketing. Innovation and marketing produce results; all the rest are costs.

—Peter Drucker

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.
- 16.
- 17.
- 18.
- 19.
- 20.



Little ideas make a difference

By Tom Shay

SOUND ADVICE FOR BUSINESS

It is often easy to tell a small business apart from the mass merchant or chain-store counterpart. Unfortunately, the attributes that work to the advantage of the latter group are the ones that most folks will first notice: the expensive piece of real estate the business sits on, the many departments it has, and the enormous advertising budget.

When it is first announced that a mass merchant or chain store is coming to your area, people have already heard of its reputation, and all of the rumors are very positive. People may even walk into the locally owned business and ask them how, or if they are going to handle the new competition.

The mass merchant's advantages are similar in that they are all caused by a heavy expenditure of money. And of course, the mass merchant is traditionally backed by a company that is capable of outspending almost any independent.

"The dog with a full food bowl does not go looking at other dog food bowls," is a saying with strong repercussions in most of our industry. Whether or not the new dog bowl has arrived in your area, you have many unique advantages the mass merchant cannot duplicate.

Many businesses are so busy with the day-to-day management that they are unable to explore and exploit these advantages; and unfortunately, it takes time to look for ideas and implement them. Magazines can be one of the best tools to assist you. One of our first suggestions is to find as many different business trade publications as you can.

If you read between the lines, profit-making ideas in a magazine directed to a gas station, drug store, lumber yard, clothing store or garden center will work for you. The key is to make the most of every idea you can adapt to your situation. You can also find these ideas by visiting other businesses and reading books directed to our industry.

These ideas represent the many advantages you have over the mass merchants. When these giants advertise, they traditionally speak only of price. But most of the surveys that detail what customers want will tell you price is not the most important issue.

Mass merchants advertise with prices because they cannot compete with the local businesses on the important things. From many years of receiving more than 50 trade magazines each month, and from taking note of every unique promotional and profit building idea, here are some of the best.

It is cold, and you decide to go to one of your customers' work sites. You go when the food wagon has arrived. What better way to cement a friendship than to foot the bill for coffee and doughnuts? And of course this is an excellent opportunity to ask for a tour of the job site. When you see material you did not provide, politely ask what you need to earn that business next time.

If you are prospecting for new business, you will probably receive a kinder reception if you walk in holding two soft drinks. Open one and offer it to the prospective customer. Odds are that the prospect will give you more time. And if those soft drinks are in a foam can holder with your imprint on it, you will be leaving more than your business card on their desk.



Little ideas make a difference (continued)

By Tom Shay

SOUND ADVICE FOR BUSINESS

A business reluctant to open on Sunday afternoons was able to resolve its concerns with an unusual promotion. Every time a Sunday afternoon shopper brought in a church bulletin, the owner would keep the bulletin and write the purchase amount on the front cover.

At the end of the month, the business wrote a check to that church for 10 percent of the total purchases. The best advertising for this merchant was the head of the church finance committee standing up on Sunday morning and announcing the details.

Another business decided to celebrate each of the minor holidays by having a color sale. They used red for St. Valentine's Day, green for St. Patrick's Day, orange for Halloween, as well as any other dates they wanted to include. Customers on those days who could find the appropriate color on an item received a discount of 10 percent. The business was able to advertise the event by utilizing only window posters and flyers they handed out to their existing customers.

Most businesses subscribe to the idea that teaches you the only way to make your customers No. 1 is to first make your employees No. 1. One business makes a point to tell his customers they subscribe to that theory by closing one day each quarter at 5:00 p.m. All of the employees and their families are invited to the owner's home for a party. Each quarterly party includes a meal personally prepared by the owner, with quarterly bonuses being passed out during the event.

These ideas will not work for the mass merchants; yet, they require few investment dollars and are the types of ideas that will endear you to your employees and your customers.