



## How to Market Your Business on a Shoestring Budget

Many Start-up businesses are small or one-person shops with limited resources for marketing campaigns. Large mailings, advertisements, and expensive marketing brochures may not be an option for you. At the same time, many have recently jumped into their own business, and have to preserve their savings for basic needs like food and rent.

This article will walk you through a step-by-step process to launch or grow a business on a shoestring. In fact, let's make it a real challenge. We'll assume you have less than \$100 to spend on marketing per month.

The good news is that limited resources can be an advantage for you. Many professionals hide behind expensive mailings, phonebook advertisements, and brochures. They also rely on fancy search engine optimization schemes, as well as Google and Overture advertising. Then they wait for prospects to call or email, and may get no response.

You don't have that luxury. You have to think about marketing wisely, and can't afford to throw away your money. You have to be smarter, leaner, and meaner than the competition. While your competitors hide behind their marketing, you have no choice but to find creative, low-cost, high-impact ways to get visible and become attractive to your prospects.

Your marketing plan is simple and efficient:

1. Identify a target market.
2. Develop a strong marketing message and hook.
3. Create one piece of marketing collateral that will attract prospects and set you apart.
4. Get visible in your target market -- the manual way.
5. Keep following up to build relationships and credibility.

## Before You Begin

Before you get going, there are a few assumptions that we'll make about you:

1. You're good at what you do, and can deliver results. If you don't have the skills to delight your clients, you won't last long in any market.
2. You're willing to take action to be successful, even if it means going outside your comfort zone. You don't have money for marketing, so you need to invest time. You also need to approach potential clients and referral sources, and give them a reason to talk to you. For those who are new to marketing and sales, this may be uncomfortable.
3. You're willing to make marketing your top priority. Many professionals may think that their service is top priority. That's not true -- there are lots of brilliant but starving Professionals out there. A mediocre Professional who's an excellent marketer will make more money than a technical genius who can't or won't market. Ideally, you have both skill sets. But if you have to pick one priority, choose marketing.
4. You're committed to success. If you are building a company, you need to be totally committed to doing whatever it will take to succeed. Starting your own business is not for dabblers. When the going gets tough, and it will (especially at the beginning), only your commitment to success will keep you slogging forward.
5. You have enough reserves to eat and pay rent/mortgage for at least a while. It is hard to sell anything when you're desperate. Prospects sense the desperation and pull away. Also, there is a difference between having little or no money for marketing, and having little or no money to live. If you have no reserves to cover basic expenses for six months or more, consider getting a salaried job instead and save up before taking the plunge.

## Step 1: Identify a Target Market

Many start-up enterprises resist this advice. They don't want to focus, for fear of missing out on any opportunity to generate business and bring in money. They also like the comfortable illusion of having an unlimited number of prospects.

Of course, as the article notes, focusing your marketing efforts on a specific industry ends up being less expensive and more productive. You reach your market at a lower cost, because people in the same industry read similar publications and go to similar association meetings. People in the same industry talk, and word about you will spread more quickly. Also, you build credibility more easily than a generalist, because you can speak your prospect's language and because you understand their specific industry issues. Finally, there's an "opportunity cost" involved in chasing business outside a target market, because you could use that same time to build your name and reputation within your niche.

Having said all that, I understand the constraints and pressures of starting a business. Practically speaking, why would someone with no visible source of income and limited reserves turn down business?

Here's a suggestion for those who are just starting out:

Spend 70% of your time pursuing business in a focused target market (using the criteria in the article mentioned above), and 30% of your time pursuing business based on your existing network and sphere of influence. That way, you build a competitive edge in a focused niche, without suffering the pain of missing out on too many "slam dunk" opportunities from people you know.

Cost of Step 1: \$0. You can choose a target market without spending a dime, based on your own experience. One of the key criteria for choosing a target market is that you already have a good story to tell those prospects. Also, it costs nothing to research an industry on the Internet or by calling trade associations and people you know who are in it.

## **Step 2: Develop a Strong Marketing Message and Hook.**

Once you've identified your target market, you need a good story to tell. You can't just tell prospects that you are a new business. They don't care about that, and you'll sound generic.

Instead, you need a solid marketing message. Here is an bulleted list:

- a problem statement
- your solution
- the business and emotional benefits your solution provides
- how you get results (e.g. your methodology)
- why you are unique
- proof (in the form of testimonials and case studies)

Of the above elements, new business owners often have the hardest time explaining why they are unique and then offering proof.

The way to explain why you are unique is by completing the following statement: "Unlike other \_\_\_\_\_ businesses, we..."

Examples in our industry include:

- We offer a money-back satisfaction guarantee that no one else can match.
- We won't charge for quality assurance for two months after we finish the project, so that you can improve your Web presence with live customer data.
- We will host your Web presence at cost, and can guarantee 99.9% uptime.
- We have a 5-part methodology that ensures a faster, more reliable application.
- We have a unique technology that we developed to rapidly implement ecommerce solutions.

The way to get proof, in the form of testimonials, is to go to classmates, former employers, former colleagues, and former professors, and ask them to write a couple of sentences attesting to your

knowledge, skills, results, and credibility. At the same time, you should have a number of examples of your work ready to go (or create them on spec).

You will use your marketing message to tell people about what you do. To do that, you need an opening line, or hook, that gets them interested. This hook should tell the listener about the problem you solve and the benefits you provide. That way, you set yourself apart from a standard business who gives the generic answer, "I'm a \_\_\_\_\_ business."

For instance in our industry we would write:

- "We help lawyers who struggle to attract clients build a Web presence that makes them look more professional than the competition, and gets clients to call."
- "We develop ecommerce solutions for retailers who want to double sales online and attract new customers."
- "We help insurance agents stand out from the crowd."

With a strong hook, people will be interested in learning more. Then you can tell them more about your solution, the additional benefits you provide, and why you are unique. You can also tell them about relevant projects you may have done.

Cost of Step 2: \$0.

### **Step 3: Create One Piece of Marketing Collateral that will Attract Prospects and Set You Apart.**

A solid marketing message and hook will take you far, but may not be enough. It is also a great idea to develop one piece of marketing collateral to set yourself apart from your many competitors. This collateral goes beyond your Web presence and online portfolio.

Prospects don't want a pitch. They want value. So your marketing piece should educate them, give them important information, and leave them wanting more. Here are some examples that have worked for other business professionals starting out:

- A focused, 3-page executive brief about the elements of an effective Web presence. These days, a general piece about Web sites will come across as generic. It's important that you focus your content on a specific target market. "Five Things Every Business Website Needs to Have" is not nearly as effective as, "What Every Lawyer Needs to Have On Their Website – That Most of Your Competitors Don't Even Know About."
- A benchmarking study of Web presences in your target market. Identify a set of criteria that make a Web presence effective. Then compare a sample of Websites along those criteria, and make recommendations for improvement. Show that you are a visionary who understands how the industry needs to evolve.
- A report of best practices from other industries that you can apply to your target market. I recently sold a \$20,000 engagement by showing a client how I could apply lessons learned from the online publishing industry to their IT services business. I did that by identifying the elements and navigation scheme that represented best practices in one field, and showed how the prospect could apply it to their field.

- Create a report of Websites you have designed, and explain the "secret sauce" about the elements you created, why they work, and how they apply to your target market. That way, you show your portfolio in terms that non-technical prospects will understand and value.

Cost of Step 3: \$25 in printing costs, and a decent amount of time.

#### **Step 4: Get Visible in Your Target Market – the Manual Way.**

You have no money, and yet have to get visible in your target market, fast. That means you have to roll up your sleeves and take massive action.

The primary way to do this is by working your network. Write down the name of every person you know, and contact him or her. If you jog your memory the right way, you should be able to identify 100-250 people you know. If you doubt this, go through your local phone book and identify everyone you know in each of the categories they list. Then think of your friends, classmates, neighbors, family, members of your religious organization, fellow volunteers, people who like dogs, and so on.

Contact each of these people and explain that you are starting a business. Tell them your hook. Suggest ways you can help them succeed or grow their business, and make sure you understand what kinds of referrals they seek. Always remember WIIFM (What's In It For Me.)

At the same time, ask them who they know that might benefit from your services. Help them jog their memory by asking specific questions (e.g. "Who else do you play tennis with that might be interested?"). Ask for advice about your marketing piece.

Your goal is to get *at least* two leads for each person you know, so that you always have an action step. Never let the chain end. Keep building your sphere of influence.

As you meet with leads, don't make a hard sell. Tell them who told you to contact them, tell them why the person thought it might make sense to talk, show them your marketing piece, and ask about their interest. If it seems like they have a need, ask them if they would like to talk more.

Thank the people who give you referrals, and keep them informed.

Meanwhile, there are other ways to get visible in your market:

- Speak about Web development and how it can help businesses. There are plenty of trade associations looking for good, informative speakers.
- Participate in community service. Join the board of a non-profit organization. Become active at your Chamber of Commerce (as an Ambassador or committee member). Take a leadership role in planning a fundraiser or visible community event. Volunteer your skills. All these activities will get you in front of influential people, improve your reputation, and get

you more work. For instance, we can trace a tremendous amount of revenues from people I met while volunteering consulting services to non-profit organizations.

- Write articles. Many trade publications accept articles from outsiders -- but only if they don't make a blatant sales pitch. Develop an article that shows how your target market can solve a problem that is in your domain of expertise.
- Contact business leaders and ask for advice. Successful people like giving advice (mostly), especially to people just starting out. I've had excellent luck contacting local business leaders, politicians, and other prominent people in my community and asking for advice. Tell them you are starting a business and wanted to learn more about how they got started. You might end up with a mentor who helps you more than you can imagine right now.
- Offer to conduct a free research study for a local trade association. Trade associations want to keep their members happy. One way you can help them do that is by offering to complete a benchmarking study of members' Web presences. When I have used this tactic in the past, the association has made appointments for me, invited me to present my findings in front of members, published an abstract of my findings in their newsletter, and even asked me to present my findings to their board.
- Develop an enewsletter about online marketing and send it to people you meet – with their permission. That way, you stay in touch and they continue to remember you.

There are other creative techniques you can use to get visible in low- or no-cost ways. The key is to take action and be visible.

Cost of Step 4: From \$0 to the cost of a few lunches.

### **Step 5: Keep Following up to Build Relationships and Credibility.**

Once you begin the process, don't stop. Starting and growing a business initially feels like pushing a rock up a hill. It takes ten units of energy to get one unit of result. At times you will want to give up (don't!). Other times, you will imagine that there is some sort of magic formula that you are missing (there isn't and you aren't!).

Over time, if you keep following up and building relationships, people will begin to remember you. They will know that you are not another one of those contractors who is in between jobs, but a serious businessperson. They'll benefit from your articles, research, advice, referrals & speeches.

But you have to follow up. Research shows that it takes 4 or 5 positive interactions before a prospect is willing to consider you for a project and hire you. So stay in touch with the people you meet. Find out their interests and professional aspirations, and support those, for instance by sending them articles or inviting them to seminars of interest. Keep up your newsletter. Stick with your community service efforts. Send referrals to people in your network.

If you keep following up, you will jump ahead of your competitors, most of whom tend to meet with a prospect once and then give up on them forever.

Cost of Step 5: From \$0 to the cost of a few lunches.

## **Conclusion: Money is No Object**

The above plan takes hard work and hustle. Essentially, you're using your time and creativity in place of money. There's no way around this if you don't have a budget and want to grow your business.

At the same time, many firms with huge marketing budgets might be better served using this same strategy. The professionals in these firms have a tendency to hide behind expensive mail and telephone campaigns, or expensive salespeople. They wait for the phones to ring, instead of actively chasing business.

If you start your business with the plan described above, you will become more connected, more disciplined, and more successful than the employees at any of those larger firms. Good luck!