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**MARKETING**

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# Marketing for start-up businesses

**STARTING A NEW BUSINESS?** Unless you have run a similar business before, you will need to do some research. Here are a few steps in developing your business plan and your marketing plan.

## **Start with your customer – and work back to your business model.**

Number one, before anything else, you need to understand your customer. Whatever your product, goods or services, you need to know the answers to some basic questions.

## **Why would a customer buy my product?**

The simple answer to this question is: to obtain some benefit. That benefit might be found in many different places – in the product itself, in the ease of obtaining it, in the friendly service that goes with the sale – or all of the above. You need to have an idea of what it is that will bring potential customers to you in the first place and what it is that will keep them coming back. They may not be the same. The things that motivate people to make an initial purchase are often different from the things that make them loyal customers. Typically some features of the product or perhaps its pricing may attract customers in the first place, but it's often service or convenience or other intangibles that keep customers on your books.

So try to get inside the mind of your typical customer and think about the whole process he or she might go through: from awareness, through product search to evaluation, to

purchase. While it is ideal to undertake market research, there are other ways of gaining insights if your budget is tight. For example, find another similar business that you won't be competing with and see if you can talk to the manager. It's surprising how helpful people will be if you ask honestly and openly.

When you have started your business, make sure you establish a means by which you can talk to your customers, to find out the real answers to these questions and to monitor performance.

## **Where can I find my customers and how can I tell them about my offering?**

Once you have some idea of the things that will matter to your potential customers, you need to know where you can reach them and tell them about your new business. This may not mean knowing where they live, but rather what media they use or what social groups they move in. Having some idea about this, you can plan your communications to reach your prime prospects and hopefully send them messages through advertising that will raise their interest.

## **Marketing tips for new businesses**

Some promotional activities apply to all sorts of business but there are particular activities that are suited to different sectors. A few suggestions:

### **Retailing**

- Start a simple loyalty program that offers a free gift after a particular number of purchases.

- Consider sponsorship of local community activities such as sports clubs.
- Help your salespeople ensure the customer's experience is as positive as possible through staff training and education.
- Send a story about your business to local media though it needs to have an 'angle' and be more than just self promotion.

### **Business to business**

- Join a business or trade association relevant to your business.
- Build awareness of your business with gift items for customers such as desktop accessories that carry your brand.
- Set up a formal referral program with rewards to clients who bring in new customers.

### **Consulting services**

- Network through professional associations.
- Write articles for appropriate media to raise your business profile.
- Run free seminars related to your business for current and potential clients. ●

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