

6 Common Marketing Mistakes that Are **KILLING YOUR TECHNOLOGY BUSINESS**

...and What You Can Do About It



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Special thanks to Lyndsay Digneo, my wife, and editor

Please feel free to post this on your blog, share it with whomever you feel may benefit from reading it. Thank You!

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Recently, I came across a business owner who told me he wasted thousands of dollars trying to market his business. He had tried every fad-of-the-week marketing approach, and nothing seemed to work the way he would like. He knew that if he continued to waste money trying to market his business, he wouldn't have a business much longer.

Maybe this loosely resembles the state of marketing in your business. Or maybe you know you need to market your product, but you aren't sure where to start. The good news is once you get your marketing system working, everything else will fall into place.

During the past five years, I've owned a business, worked in marketing departments, and assisted small businesses with their marketing schemes. Over the course of this time, it occurred to me that there are six catastrophic errors that can destroy your marketing efforts. Time after time, businesses that waste countless dollars and far too much time make at least one of these six mistakes.

I've written this ebook to show you the most common mistakes many business owners make while marketing their business, and how you can avoid or fix them. Some of the tips I'm going to suggest are very simple, but extremely powerful. Please take some time out of your busy schedule to read this – you'll be glad you did.

After you are finished reading, please be sure to schedule a 20 minute consultation to help you get started with your marketing immediately. My email address is Greg.Digneo@MoreCaffeinePlease.com.

To your business success,

Greg Digneo

MISTAKE #1: FAILURE TO MEASURE THE SUCCESS OF YOUR MARKETING

“Half the money I spend on advertising is wasted. The trouble is I don’t know which half,” said Philadelphia department store owner John Wanamaker.

The greatest lie in all of marketing is that there is know way to tell whether or not your marketing is working. Marketers tell that to themselves. They tell it to other marketers. They tell it to business owners.

The sad truth is that businesses will waste millions of dollars each month on marketing that doesn’t work. How do you know if your marketing works?

Ask yourself these questions:

- *Do you know how many qualified sales leads you will get next month?*
- *Do you know how much a customer is worth over the course of his or her lifetime?*
- *Do you know how much it costs to acquire a customer?*

If you answered “no” to any of these questions, then your marketing system is broken.

Marketing is More Analytical than Creative

When most people think of marketing, they think of creative headlines or expensive television commercials that “professionals” on Madison Avenue dream up on a daily basis.

In truth, the “creative” part of marketing has not changed for hundreds of years. The most successful marketing

strategies have been around since humans started selling things. Yes, the technology has changed. Yes, the tools have changed... instead of asking the customer to call a phone number, most ads will lead a customer to a website or landing page. But the strategy of getting a customer to know you, like you, and trust you will never change.

A good marketer knows exactly when an ad strikes a nerve with the market place. Every good marketer knows exactly how many leads the ad will bring in each month. He knows if they are highly qualified leads or bad leads. He knows exactly how much it costs to acquire a customer. However, most of the “professionals” on Madison Avenue have no idea no idea whether or not their ads are working; otherwise, how can anyone justify this ad:



If someone was measuring the success of this ad, he would immediately understand that the illegible contact information is killing their results.

The Gumball Machine

However, when your marketing is working, it should work just like a gumball machine. Every time you stick 25 cents into a gumball machine, you know you are going to get 1 piece of gum. Likewise, every time you stick money into your marketing machine, you should know exactly how many customers you are going to receive.



MISTAKE #2: NOT HAVING A GOOD LEAD GENERATION SYSTEM

Every few days, I'll receive an email from someone asking me for a way to generate leads. Over the course of these emails, I've come up with dozens of ways to do so. Here is a list of 15 ways:

- | | | |
|--|---------------------------|---|
| • <i>Television</i> | • <i>Craigslist</i> | • <i>Advertise over urinals in bathrooms</i> |
| • <i>Radio</i> | • <i>Direct Mail</i> | (This has to be the weirdest way. What's next? An ad for a laxative in a toilet bowl?) |
| • <i>Advertise in a Trade Journal</i> | • <i>Twitter</i> | |
| • <i>Write Magazine Articles</i> | • <i>Facebook</i> | Building a sales funnel starts with a strong lead generation system. Without the ability to generate leads, your sales funnel becomes empty, and so does your bank account. |
| • <i>Advertise in the Newspaper</i> | • <i>Public Relations</i> | |
| • <i>Advertise in the Yellow Pages</i> | • <i>Joint Venture</i> | |
| • <i>Google Adwords</i> | • <i>Billboard</i> | |

No matter which medium will help you reach your customers best, every advertisement has 3 critical ingredients:

Grab Your Customer's Attention

The most common way to grab someone's attention is with an intriguing headline. The best place to come up with a brilliant headline is to study the cover of Cosmopolitan magazine. Before you laugh and dismiss me, let me explain. I HATE Cosmopolitan magazine, however, it is widely successful because its headlines are intriguing.

At the time of this ebook, one of the headlines in its recent copy is “The Real Reasons Men Cheat: One man reveals all.” Let’s assume you own an IT services company. A headline like “The Real Reasons IT Sucks: One insider reveals all” would bring in tons of qualified leads who are frustrated with their current IT services company.

Copy that is Informative

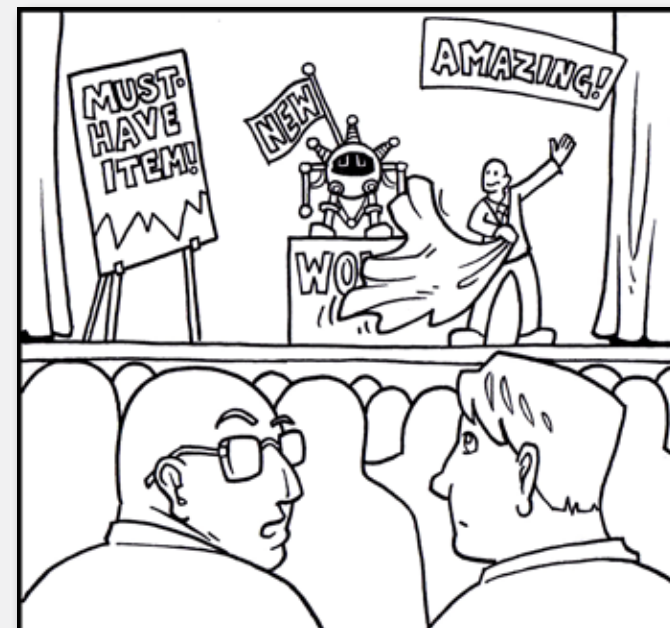
If your ad is a blatant sales pitch, chances are people will read the first paragraph, and then pass it by. Likewise, if your ad contains techno jargon, chances are people will read it, but not fully understand its content. However, if your ad uses clear language to further agitate the problem the audience has and hints at a solution, you will have your audience eating out of the palm of your hands. Furthermore, always make sure you are talking to your customers about their problems, not about your products.

Make ‘em an offer they can’t refuse

The most common mistake when creating an ad is not making an offer to the audience. Once you’ve captured their attention and have them eating out of your hands, you need them to do something. Offer them a free consultation, book, trial, or anything that will make them contact you.

So many businesses make the mistake of using the vague “Call for more information” offer. Your offer needs to be concrete. Your customers want to know exactly what they’ll get when they contact you.

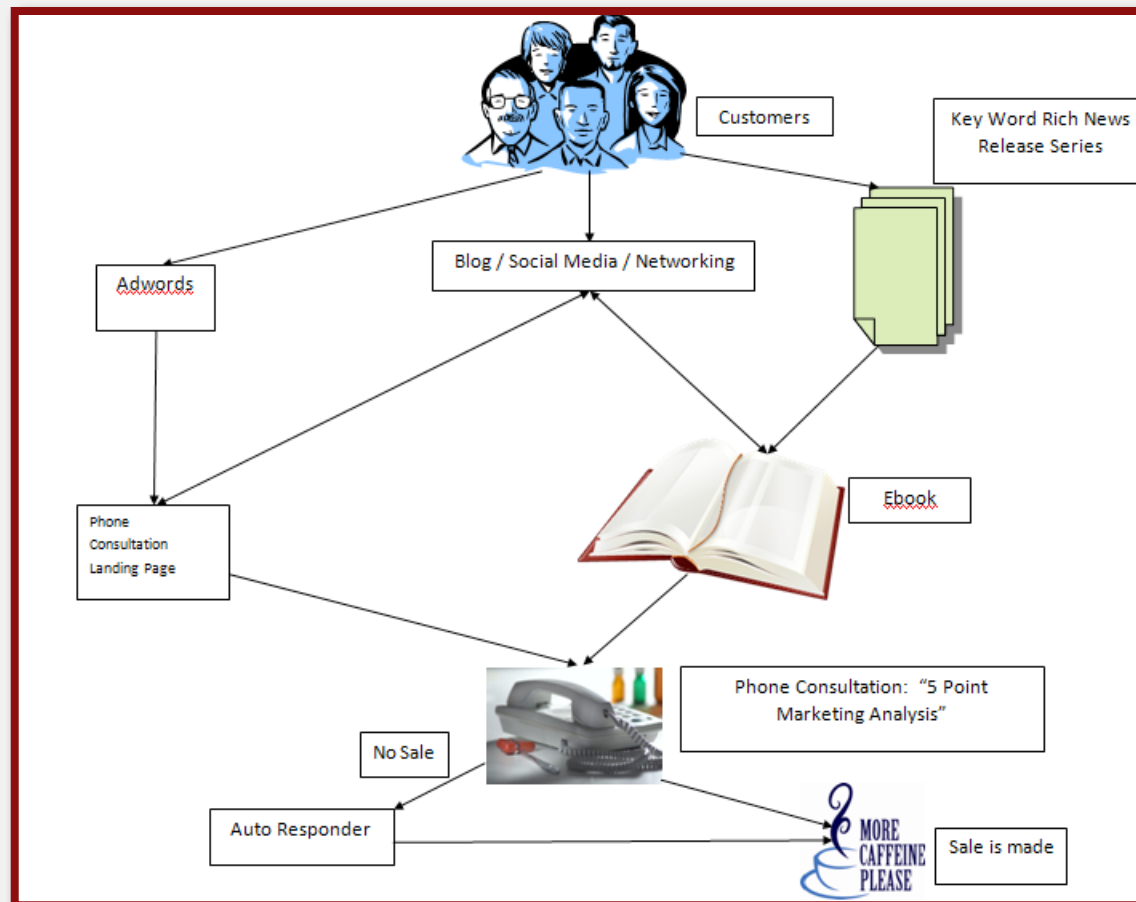
Apply these three ingredients to any of the above 15 mediums, and you’ll have more leads than you know what to do with.



"MAKES YOU WISH HE WAS ACTUALLY **SELLING** THEM!"

The More Caffeine Please Lead Generation Strategy

Every so often, someone will ask me how I generate my leads. I created the diagram below to answer that question. If you are wondering whether this strategy works – the fact that you are reading this book is testament that it does.



MISTAKE #3: NOT KNOWING YOUR CUSTOMERS

You might be wondering which of those 15 ways to generate leads you should use. Without knowing your customers, that's impossible to answer. What do I mean by knowing your customers?

Off the top of my head, you should know:

- *The type of industry you sell your products or services*
- *The size of the companies you target*
- *The number of employees*
- *Who your customers are*
- *Why your customers buy (or don't buy) your products*
- *What magazines, journals, news papers, radio stations, etc... your customers consume*
- *The average age of your customers*

If you know what media your buyers consume, then you know how to reach them. You know which magazines to advertise in, which journals to write in, and which websites you should be an active participant in.

When people ask "Should I advertise in (pick a magazine, news paper, web site, etc...)?" I always respond with "Is that where your customers are?"

Why do your customers buy your stuff?

When you know why your potential buyers purchase (or don't purchase) your products, you'll be able to write your

***Make sure you
have a clue as
to who your
customers are
and why they
buy from you!***

advertisements based on that information. For instance, if your buyers are afraid of getting fired, then maybe you can offer them a guarantee that if your product doesn't work the way you describe it, they get their money back.

If you don't know who your customers are, then all the lead generation tactics in the world won't help you find more customers.

How Future Free Energy made a Fortune by asking a “Stupid Question”

One of my customers in the solar panel industry thought they knew why their customers purchased their product. For the entire existence of the company Future Free Energy thought that customers purchased solar panels because of the return on investment.

That is until one day they asked their customers “Why did you decide to install solar panels?”

All ten customers answered exactly the same way: Because it is the right thing to do.

This insight provided an essential breakthrough into how Future Free Energy can market its services to its customers. They created marketing material that spoke about Going Green, not return on investment. Also, instead of being just solar panel contractors, Future Free Energy became GREEN contractors – offering services such as HVAC installation, insulation, and windows.



JON STARTS TO QUESTION HIS BUSINESS MODEL

The result?

Future Free Energy differentiated itself from the competition. The value of each customer increased with new service offerings because each customer hired Future Free Energy for more than solar panel contracting. Additionally, its marketing budget decreased significantly because the majority of its business is received through referrals. And Future Free Energy no longer bids on work; they dictate prices and terms.

About 2 months after asking the question, “Why did you decide to install solar panels?” Future Free Energy increased sales by approximately \$70,000.00 per month. That figure may or may not be a lot for your business, but Future Free Energy was excited.

MISTAKE #4: COMPETING ON PRICE

Most companies compete on price because they don't have a strong Unique Selling Position (USP). A USP is what separates you from your competitors.

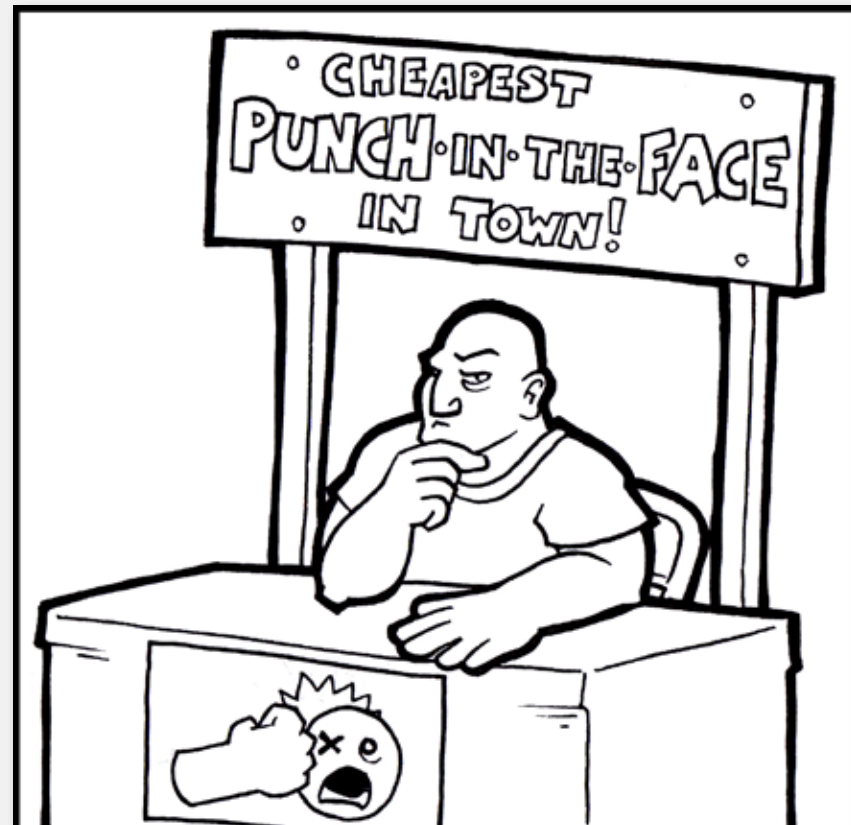
What Your USP is NOT:

Most websites and marketing material advertise that their business:

- *Has high quality products*
- *Has good customer service and a friendly staff*
- *Has competitive pricing*

And I have no doubt that your business has all three. But that isn't exactly a USP. The trick to a USP is that it has to be **UNIQUE**. If your competitors say the same thing, then it's not unique.

Here is an acid test to see how different you are from your competitors. Go to your competitor's website and print out their home page. Every place that you see their name, cross it out and replace it with the name of your business. Does it still make sense?



STILL NO CUSTOMERS... IS SOMEONE UNDERSELLING ME?

If it does, then your USP isn't unique.

Are the majority of your sales a result of winning a bid?

If the answer is yes, then your customers don't value what you offer. If you don't compete on values, you compete on price. There are two solutions to the "bid work" problem.

First, you can provide a value to your customers that your competitors cannot do or refuse to do.

Or second, you can find better customers who understand what you do and are willing to pay a premium for it.

4 Steps to Compete On Value, Not Price

- *Ask your customers for the benefits of doing business with you.*
- *Identify three benefits that your business provides that your competition does not.*
- *Of these three benefits, identify the benefit that would be hard for your competitors to replicate.*
- *Clearly communicate your position to your customers through your website and advertisements.*

MISTAKE #5: PRODUCING MARKETING MATERIAL THAT SPEAKS ABOUT YOUR PRODUCT FEATURES AND BENEFITS

For the most part, businesses create boring marketing material. I see a lot of “pretty” brochures that are incredibly boring; the same goes for websites too.

Most brochures or websites are boring because they talk all about the business and not about the customer. Your customers do not want your products; they simply want to know what your products can do for them. As the old saying goes “no one whoever bought a drill wanted a drill. They wanted a hole.” In other words, your marketing has to be all about holes to be interesting.

What do you really sell?

You typically don't sell what your product or service is. I don't sell a marketing consulting business. No one wants a marketing consultant. However, every entrepreneur wants to increase their revenue and profit. That's what I try to convey through my website and marketing.

Let's say your business sells Customer Relationship Management (CRM) software. None of your customers



want to buy more software. It's expensive to purchase, it's expensive to install, and it's expensive to train their employees. However, every (good) business wants to build deep relationships with their customers and potential customers.

Instead of creating marketing material that talks about price per user and database size, try focusing your marketing material on relationship building. How often should I contact a customer after he calls me? How can I get to know a customer better without being intrusive? How can I send emails that my customers will actually receive?

That's what purchasers of CRM software really want to do. Why not create marketing material that shows them how? (And then explain how your CRM allows them to do those things more efficiently.)

A Mutual Introduction

Here is a scenario that every entrepreneur has experienced. A friend introduces you to a person who fits the mold of your ideal client. Out of courtesy, the ideal client reluctantly asks for more information about your products and your company. She's probably expecting a brochure (that she will throw away) that lists your products and services, features and benefits, and prices.

If you do give her a brochure, chances are, you will never hear from this potential customer again.

But instead, you present her with a white paper or book that solves a problem that you know she is having. (You know she has this problem because ALL of your ideal customers have this problem.)

Which do you think is more likely to start a business relationship – the brochure, like the hundreds that she's inundated with every year, or the book that solves her problem?

A simple book will make far more sales than the most beautifully printed brochure ever will.

MISTAKE #6: OFFERING ONE PRODUCT TO EVERY TYPE OF CUSTOMER

Every business has four different types of customers:

- **Suspects:** *These are people you have identified would be your ideal customer. They may or may not know how your business can help them.*
- **Prospects:** *These are suspects who think you can help them and want to learn more about how you can solve their problem. They are looking for a free report, or good information on your website, or have requested a brochure.*
- **Customers:** *Your customers are prospects who have actually bought something from you. Chances are it was a small or introductory purchase.*
- **Repeat Customers:** *Repeat customers are those rare and special individuals who have bought from you more than once. Whether that's a subscription to a software, or multiple products to solve multiple problems.*

Unfortunately, most businesses treat every customer the same. They fail to offer various products to the various customer groups. The goal is to build a relationship with the customer before you ask for money. It's much easier to sell to friends who know you can help them than it is to strangers who have no idea what your business does.

You can create a free report (like this one) to offer your suspects to help them become prospects.

You can have an introductory offer to your product to help your prospects become customers.

And you can attach a subscription to your service or a service to your product to get your customers to become repeat customers.

Companies leave so much money on the table because they treat all of their customers exactly the same. The 80/20 rule suggests that 20% of your customers will generate 80% of your revenue. You need to treat those 20% like the gold they are and spend 20% (or less) of your time and money on everyone else.



"...AND HERE WE HAVE AN ITEM
I'M SURE YOU'LL **ALL** LOVE!"

EXECUTION

Of course, the greatest mistake that any business can make is a lack of execution. No strategy or tactic that I can share with you will work if it is not executed properly. You can use any of the lead generation tools that I mention on page 6, but if you aren't able to write a persuasive ad, then none of these tools will help you.

Likewise, if you have the ability to write a persuasive ad that taps into the psyche of your market, you can choose any marketing tool you want and be extremely successful. A great marketing plan will transcend both technology and time.

ABOUT THE AUTHOR



Greg Digneo founded More Caffeine Please to provide technology entrepreneurs and small business owners an experienced part time marketing department. More Caffeine Please focuses on the unique challenge of creating tools to communicate complex technology products and services to their customers and increase top line revenues and bottom line profits.

FREE CONSULTATION

I know the information in this ebook may be a lot to take in, or you may need a more specific plan of action. For this reason, I am offering a free consultation for any business owner or marketer who may need more assistance.

In this free 20 minute consultation, you will:

- *Receive tips to get your business in front of your customers using both online and offline marketing strategies*
- *Determine how to differentiate yourself from the competition.*
- *And learn to grab your customers' attention*

Simply go to Consultation.MoreCaffeinePlease.com and fill out the form so we can create a business plan that will place your business in front of your customers. I look forward to hearing from you.

To your business's success,

Greg Digneo