Small Business Owners:



without spending a PENNY in advertising!

by Paul Crane

About the Author



For well over a decade, Paul Crane has been dedicated to helping small to medium-sized business owners navigate the often confusing world of science and technology in order to meet their goals.

He's the CEO and founder of **Local Text Marketers**[™](LocalTextMarketers.com), an affordable, "point and click," easy

service that brings the power of mobile marketing to local businesses, non-profits and community groups.

Previously, Paul spent 6 years as **Site Build It!** (**SBI!**) product manager for **SiteSell**. com. **SBI!** is a turnkey online business building solution that's used by over 40,000 small business owners and taught in post-secondary institutions across Canada and the U.S.

Paul's also the founder of **UltimatefatBurner.com**, the oldest independent, evidence-based, supplement review site on the internet. He's an entrepreneur, former local business owner, digital and social media consultant, and speaker. "Paul Crane is easily one of the best speakers we've had the pleasure of working with. His content is of exceptional value and directly benefits business owners. He is well spoken and engaging and I would encourage any business owner who has the chance to attend his presentations!"

> Kristina Lane Marketing & Events Coordinator Consulting Assistant Small Business Centre www.smallbusinessctr.com

"Do, or do not. There is no try." Yoda

Introduction



As a local business owner, if there's one thing you know it's this... It's tough out there. I hear you. I've been there.

Although I've been a successful digital entrepreneur for well over 10 years now, I once owned a retail store selling sports nutrition supplements in a small market, so I know exactly what you're up against...

- » Increased competition from online merchants.
- » Increasingly savvy customers who price match your offers from their cell phones right in your place of business.
- » Outrageously expensive traditional advertising options (print, radio, T.V.) that offer no guarantee of a return on investment.
- » A cash-strapped consumer that has less and less disposable income.
- » And so on.

As a business owner, it's almost impossible to do more business without spending a ton of money on advertising.

Let's face it, traditional advertising can work—if you have a product or service that has mass appeal; and if you have a budget big enough to be able to sustain your campaign for

as long as it takes for it to resonate with your customer and prospect (the marketing gurus say it takes between 7-13 exposures to your message before it starts to have an impact).

As you can imagine, that requires a lot of cash. If you don't have either of these things, well...

Traditional advertising is a crap shoot. A gamble. A "hail Mary" pass into the end zone.

Take heart, my friends. This guide highlights 5 simple, super effective strategies that you can use to boost your businesses without spending a penny in advertising.

I'll say that last part again...

"Without spending a penny in advertising."

Some bring almost immediate results for little effort, while others are a more long-term strategy.

All work.

It's up to you to decide which ones to implement in your business.

Of course, there's no "easy" button to press like on T.V. That's one thing I cannot offer you. You still need to do the work. But if you're willing to roll up your sleeves and do so, there's no need to despair!

So here's what I recommend...

Print off this guide in its entirety. Grab a beverage of choice and head for your favorite "comfy" chair. Oh, and grab a pen too, so you can highlight the content that really resonates with you.

Ready to get started? Alright, here we go...

#1: Tap into your Customer's Personal Networks



The simplest way to do this is by using Facebook, since it's by far and away the biggest and most popular social network, and where your customers like to hang out.

However, I need to draw your attention to a couple of things.

This is *not* about...

- 1. Advertising on Facebook.
- 2. Writing more Facebook posts that no one sees.

Since Facebook became a publically traded company in 2012, it has become focused on profits, and has switched to a "pay to play" model.

If you've noticed that fewer and fewer of your fans are being exposed to your updates, this is why. There's no way to address this short of advertising on Facebook—which is a whole different kettle of fish, and beyond the scope of this publication. And besides, we're talking about *not* advertising.

So here's what you're going to do: you're going to start asking our customers if you can take their pictures with your product—or using your service—and upload it to your Facebook page (alternatively, you can ask them to send you a "selfie", but it is better if you can control the process). You're going to ask every single customer, bar none (some will say yes, some will say no, but ask them all!). We're going to upload the pictures to our business' Facebook page regularly and tag our customers (if they are fans) and say something nice about them.

To tag someone, first type the "@" sign (hold the shift key down while typing the number 2), and then start typing in the name. Facebook will open up the names available to you. If this person is not available in the drop down menu, don't worry. Just post without it. The "@" tagging option allows Facebook to notify your customer of your post, which is extremely valuable.

How does this help your business? Good question.

A large percentage of your customers will bask in this 15 minutes of fame (after all, it's all about them now, isn't it?) and will comment and share the post. When they do that, it becomes viewable to their own personal networks, which takes your business viral.

And when their Facebook friends see this, what do they see? They see a personal endorsement. The strongest type of recommendation you can get!

If a friend sees your customer standing beside a van that says "Ace Plumbing" giving the camera two "thumbs up", who do you think they will think of next time they need a plumber?

Exactly.

If they see your customer modelling that extremely funky all-hemp pull over, who do you think they will think of if they are interested sustainable, earth-friendly clothing?

If they see a beautiful bride modelling a gorgeous dress exclusive to your shop, who's the first person they will consider if they—or anyone they know—is in the market for a wed-

ding dress.

That's right... YOU! This is an extremely powerful strategy that almost no one is using and it works for every single business.



The power of personal recommendations combined with the viral power of Facebook makes this strategy a winner. It costs next to nothing to do, and almost no effort to implement. I highly recommend you get started using

Almost NOBODY is doing this, so it's a great way to obtain a competitive advantage.

This recommendation is so powerful it might make sense to consider offering an incentive to obtain your customer's permission to obtain and post a picture. This might be a coupon or a discount off a future purchase.

#2: Get Serious About Customer Retention



I have a question for you...

Out of every 100 customers in and out of your business, for how many do you obtain some sort contact data – like email, physical address or cell phone number – so you can stay connected with them with your marketing messages?

Is it 10? 20? 50? None?

Most business owners don't devote nearly enough attention to customer retention, and that's a problem, because marketing to your existing clientele is the easiest and cheapest way to increase your business' revenue. That's important so let me say it again...

Marketing to your existing clientele is the easiest and cheapest way to increase your business' revenue.

The Bain & Company Consulting Group showed in a ground breaking study that a 5% increase in customer retention can increase a company's total profits as much as 75%.

Just 5%. Incredible, right? Here's why you need to get real serious about customer retention... right now. Existing customers are...

- 1. Less sensitive to price.
- 2. Much less expensive to market to.

- 3. More likely to make recommendations and generate referrals.
- 4. More likely to purchase more often, or buy higher priced products or services.
- 5. Less likely to defect to a competitor.
- 6. Bigger spenders. They spend more money with you; after all they know and trust you (they do, right?).

Convinced now? Excellent!

The question is, now that you know what are you going to do about it? The first step is to determine how you are going to stay in touch with your customers.

Email marketing

In keeping with our "zero" dollars pledge, most business owners have some sort of email marketing system in place (if you don't, you'll find recommended services at the end of this publication. These are not free, but the costs are negligible).

If you do, then using email is the simplest place to start. It's not perfect, since the industry average open rates for email newsletters is 27%. That means on average, 73% of your audience won't see your messages.

Nonetheless, this is still a worthwhile venture, because even a small increase in customer retention can have fairly dramatic result on your bottom line.

Just make sure your staff are on board and committed to upselling your email program. If possible, offer an incentive to get your customers to subscribe—coupons or discounts off future purchases is always a good bet and will help overcome any hesitations your customer may have.

And then, make a commitment to publishing a content rich, value-packed, high quality email newsletter regularly—two to four times a month will be plenty.

A word of caution; you do need to use a professional service to send emails. Don't "cc" a ton of contacts from your personal email.

Not only is this unprofessional, but it can get you into trouble.

Both the U.S.'s Can-Spam and Canada's anti-spam law (known by the acronym CASL) require a one-click unsubscribe method and a valid mailing address / additional contact data in commercial emails. Penalties for violating these laws can be extreme – even for small, "mom and pop" operations.

What about other options for staying connected with your existing customers?

SMS / Text Mobile Marketing

Although not free, some of you may want to consider mobile marketing; building databases of your customers' cell phone numbers and connecting with them via simple text messages.

The reason why? Simply put, people are connected to their phones in way they are with nothing else. For example...

99% of text messages are opened and read compared to 27% of emails. In addition, studies show that up to 50% of millennials will provide their cell phone numbers in exchange for an incentive, compared to 30% of generation X'ers.

Of course, text messages won't replace your email newsletter or longer correspondences, since they are limited by character length, and they are not intended to. Instead, they work extremely well as...

1. "Calls to action." These are simple sales messages with a strong and decisive message: "Massive Sale! Storewide clearance! 50% off this weekend only." 2. A tool for leveraging other advertising channels: For instance to get more people to read your flyer that's going out in the mail this weekend, you send them a head's up as a text message (e.g., "Our fall flyer comes out tomorrow! Watch your mailbox for incredible deals!"). Now, instead of pitching all the sales material into the trash, they're searching through for your flyer. See how it works?

In other words, you can deliver simple, powerful sales messages, or messages that draw attention to other promotions that your customers might otherwise miss.

It's an extremely powerful medium that when used properly, can deliver a massive ROI (Return on Investment) unmatched by other mediums, and provide you with a special line right into your customers' lives.

Check the resources section of this document to obtain a coupon code to try our mobile marketing service out 30 days for free!

<u>Direct Mail</u>

Direct mail still works, and is a great option for service businesses, which likely already have their customer's physical mailing addresses on file. For most other businesses, it's costly, time consuming, and much less practical; unless you have an incredible relationship with your customers, it's going to be tough to get them to surrender their home addresses.

Going digital is the cheapest and easiest way for the majority of businesses to stay connected with their customers.

Facebook

DO NOT...

Use Facebook as a customer retention strategy.

While it's fine to ask your customers to "follow" you on Facebook, don't make this your primary customer retention strategy. Here's why...

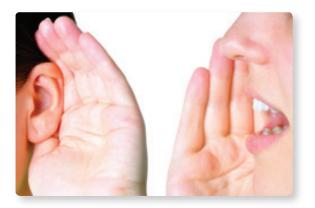
- 1. You don't own your customer's contact data like you do with email, mobile, or direct mail. If you don't own their data, you do not control of your business.
- 2. Facebook is now privately traded and is focused on profits. Facebook has made it clear that if you want your fans to see your updates, you have to pay for that privilege. Why build a database of customers that you don't own and can't connect with?
- 3. Getting a customer to "Follow" you on Facebook is a nightmare, because this is something your customer will have to do on their own after they leave your place of business. Not only will they be unlikely to remember to do so, but in general, people are not interested in doing things unless there is something in it for them. So in order to gain any traction with this, you'd have to offer one heck of an incentive (e.g., "follow us on Facebook and get something really special for free"). But then again, considering points #1 and #2, why bother?

My personal recommendation is that you do not "dilute" your efforts to obtain your customer's contact data (either email address or cell phone number) by asking that your customer's "Like" or "Follow" you on Facebook.

Instead, just focus on getting contact data with real value. Remember, once you have your customer's contact data, you can ask them to "follow" you at any time.

One strategy still advocated by some "gurus" is to advertise for "likes" on Facebook's own advertising system, and then reach out to them with advertising purchased on Facebook's own system. I'm skeptical of the value this strategy offers. As <u>this video</u> clearly demonstrates, not all Facebook "likes" are not created equal.

#3: Start a Simple Referral System



Personal recommendations are the strongest testimonial there are, as they carry the most weight with your prospects.

So why not reward your current customer base for generating new business for you?

A simple program would work something like this...

- 1. You solicit your best customers to join the program. You offer them a reward or incentive for referring your business to new customers not currently doing business with you.
- 2. You track these people and the referrals they generate in a simple, free spreadsheet program (use the free Google Drive so this data is available online, allowing your staff to update the spreadsheet anywhere there is Internet access).
- 3. New customers who come in have to reference the person who referred them in order for that person to receive credit. The best way to ensure this happens is offer a discount to these new customers that can only accessed by referencing the person that made the referral.

Bingo!

New customers.

Yes... there is a cost to obtaining these new customers—after all, you have to provide them with an incentive of some sort—as you do for the referrer as well.

But it only costs you IF and WHEN they show up in your business and hand over their money first.

Essentially, you are giving up a little margin on the initial transaction, so that you can capitalize on the long term, lifetime value that each new client / customer will bring to your business.

Can you imagine how your local newspaper would be doing if you only had to pay for your ad if it generated a certain number of sales?

The fact is, a simple referral program requires very little effort on your part, and doesn't cost a cent until it generates results.

Take your time considering the incentives you intend to offer. They need to be valuable enough to motivate existing customers to spread the word about your business, while at the same time providing a reason for a prospect to show up and give your business a try.

#4: Build Co-Promotional Relationships with Complimentary but Non-Competitive Businesses.



Another simple and zero-cost way to drive more revenue is to develop relationships with businesses that share the same type of customers as you do.

Or in other words, you develop partnerships with complimentary but non-competitive businesses.

Almost all businesses will lend themselves to natural partnerships with others. What business are a natural fit for yours? Grab a piece of paper and a pen and start brainstorming.

Here are some examples to get you started...

A flower and gift shop could partner with...

- » A wedding dress shop.
- » A caterer.
- » A tent rental business.
- » A wedding planner / event organizer.
- » A funeral home.
- » A limousine service.
- » A photographer.

- » A venue.
- » A specialty food store.

A personal trainer could partner with...

- » A dietician.
- » A health food store.
- » A sports supplement retailer.
- » A fitness equipment supply outlet.

A mechanic could partner with...

- » A one-hour oil change establishment.
- » A body shop.
- » A tire repair / sales shop.
- » A muffler specialist.
- » A used car dealer.
- » A glass repair specialist.

How you approach these partnerships is entirely up to you. Be aware though, that most businesses are not going to be interested in partnering with you if your "bona fides" are not yet established, or if you have a poor reputation, as they risk damaging their own credibility by aligning their name and reputation with yours.

A great way to get started with such arrangements is to...

- 1. Make referrals to potential partners before you approach them, to establish your seriousness and get your business on their radars.
- 2. Patronize the businesses yourself, and get to know the business as a customer. The

last thing you want to do is to damage your own credibility by recommending a business that does not deliver on its promises.

3. Attend meet and greets / business card mingles put on by your local Chamber of Commerce (call to confirm, but these are usually free to attend—even for non-members!) and other networking events.

Look for people who are excited, eager, and see the value in this co-promotion opportunity.

Once again, this is a simple, free strategy that can—with the right partners on board make tons of difference to your bottom line.

#5: Build REAL Relationships with Your Customers!



No, nothing earth-shattering here. Just a simple, "race goes to the tortoise" strategy that works every time, all the time.

It's based on a simple principle...

People like to do business with the people they like.

They spend more money with them, they are loyal, and they make more word of mouth referrals and recommendations.

How do you build a relationship with your customers?

Simple...

Talk to them like they are REAL people. Get to know who they are. Ask them the same sort of questions you'd ask someone you were just introduced to at a party – "how was your day?" "What do you do?" "Do you have children?"

And so on.

One simple, powerful technique that both you and your staff can easily do is to call your customers by their first names.

Nothing is more powerful than that.

If a customer pays for a purchase with a bank or credit card, make a point of placing the card into the terminal for her, and when you do, glance down at the name on the card, and then use it when you thank them...

"Thanks so much Sharon. I really appreciate your business! If there's anything further I can do for you, please don't hesitate to ask. Have a great day!"

Memorize the names of as many regular customers as possible, and address them by name when they enter your place of business. There's no better way to make people feel special than by calling them by their names.

And please ...

Don't feel like this "relationship building" can only work for you if your business is relatively small.

I was in a large grocery chain this summer, and after ringing through my items and providing me with a total, the 17-year old checkout girl asked...

"So, how did your day go today?"

I almost dropped my bank card on the floor I was so surprised.

She was entirely genuine in her interest.

It was so honest and unexpected that I didn't even know how to reply.

I think I said something along the lines that I hadn't really thought about it, since no one else had even bothered to ask about my day yet (how sad is that?).

Nonetheless, I think of this girl and how she blew me away with this simple question every time I go back into this grocery store (and yes, in case you're wondering, it is now my preferred place to buy groceries). And almost all their checkout staff is made up of teenage girls, and all of them are friendly, genuine and engaging. The other day, as I used by bank card to pay for the purchase, the girl serving me helped herself to my grocery bags and bagged my items while I completed the purchase.

Moral of the story?

Relationship building can be scaled to work in bigger businesses!

Summing It All Up



Well, you've done it.

You've completed the report.

I have a couple of things I want to say, but before I do, let's quickly summarize the 5 tricks we discussed...

- 1. Tapping into your customers' personal networks using Facebook.
- 2. Getting serious about customer retention.
- 3. Creating a simple referral program.
- 4. Partnering and / or running co-promotions with complimentary but non-competitive businesses.
- 5. Building relationships with your customers.

Make no mistake... there are some powerful strategies here, one's that really do have to ability to dramatically affect your business' bottom line.

Don't let the fact that they are simple and easily implemented fool you. Effective things are often so. You don't have to implement them all, of course, but I really do recommend you implement 1, 2, and 5 ASAP. Whatever you do, don't procrastinate.

Take action. Now the rubber hits the road!

Remember... it's by doing that we move ahead. You download this report for a reason.

Now you know what to do. But it's still up to you to do it.

So here's what I want from you... While this report is still fresh in your mind, grab a pen and paper and write down the steps you're going to take, starting tomorrow, to implement the most relevant strategies for your business.

Ask the tough questions...

- » What can I do better to capture my customer's contact data?
- » What kind of incentives can I offer my customers in exchange for some contact data? To encourage a referral?
- » What can I do better to ensure my staff is 100% invested in my business—consistently working to capture my customer's contact data while treating them like they deserve to be treated?

And so on.

Start now. Don't let what you've learned in this report pass you by. Tony Robbins said it best...

"The path to success is to take massive, determined action."

Start down that path today.

Thanks for reading, and I wish you the best of luck with your business!

All the best.

Paul Crane CEO, Local Text Marketers http://localtextmarketers.com

Resources

1. Free online spreadsheet program: <u>Google Drive</u>

2. Free Microsoft Office Excel alternative: If you need a spreadsheet program or a free alternative to Microsoft Office, Open Office is the bomb. <u>Download here!</u>

3. Autoresponder email service: Aweber is a fantastic email service provider that costs \$20/month. I've used them for over 10 years. I highly recommend their service. <u>Check</u> them out here.

4. SMS / Mobile Marketing solution: Local Text Marketers[™] was designed specifically for businesses of all sizes in Canada and the U.S. It's simple to use, simple to set up, and requires next to no technical skills. <u>Click here to try it free!</u>