



Marketing and branding

a practical guide



BUILDING YOUR KNOWLEDGE



Small Business
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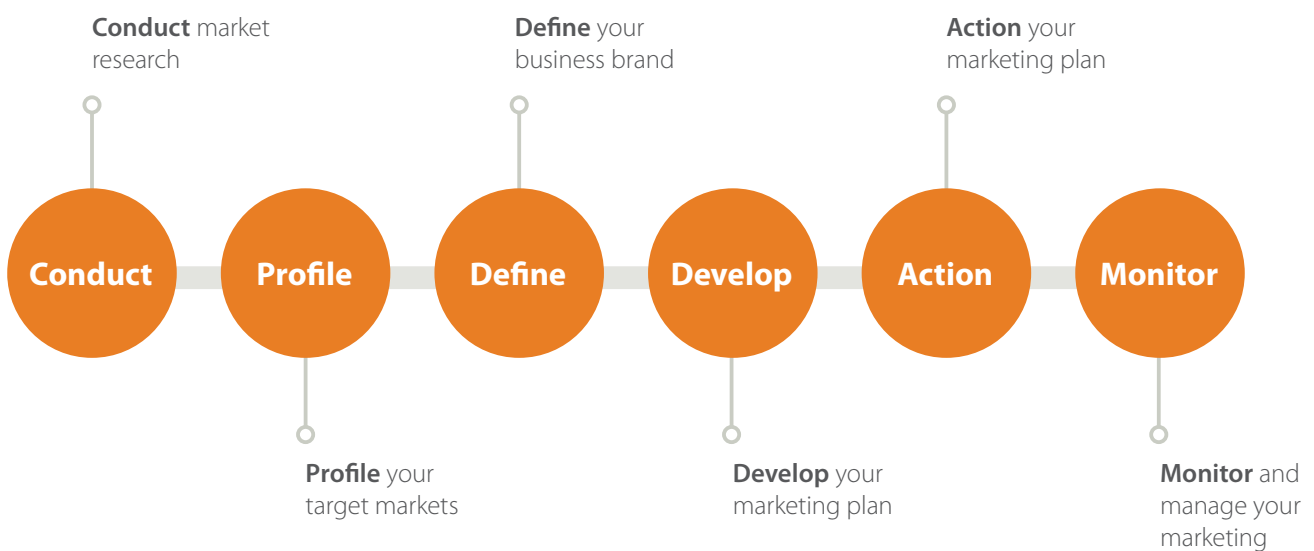
Marketing and branding

Maintaining and developing a successful, sustainable business depends on your customers' perception and experience of your product or service. Marketing is the process of getting your business noticed by the people who need or want what you have to offer, whereas branding is differentiating yourself from your competitors by creating a unique impression of your product or service in the mind of customers.

People often use the terms 'marketing' and 'branding' interchangeably. The key difference is that marketing is **what you do** while branding is **what you are**. In effect, marketing activities create and support the perception of your brand.

Having a clear and comprehensive marketing and branding strategy will ensure your business is sustainable and assist in differentiating you from your competitors.

Marketing and branding pathway



Conduct market research

Before you begin researching your market it's important to be clear about your product or service and how it will benefit potential customers. This will help you focus on gathering relevant information to develop a robust marketing plan.

Market research in three easy steps

1. Define the information you need and why

Reasons to conduct market research	The type of information you need to know
Identify potential customers	<ul style="list-style-type: none">• Who is likely to use your product or service?• What are their demographics? E.g. teenagers.• What is their income level?
Understand existing customers	<ul style="list-style-type: none">• What do they value? E.g. quality, service or cost.• Who makes purchasing decisions in their household?• Which websites do they frequent?
Understand your competitors	<ul style="list-style-type: none">• Who is targeting the same market as you?• What types of marketing campaign are they undertaking?• Are they successful in their approach? If so, what is working?• Why is your product or service preferred over the competition?
Develop strategies	<ul style="list-style-type: none">• Understand the environment associated with pricing, products, distribution and promotional channels.
Plan business growth	<ul style="list-style-type: none">• Identify areas for expansion.• Test the market's readiness for your product or service e.g. deciding whether to open a second retail store and choosing the right location.
Identify new opportunities	<ul style="list-style-type: none">• Identify an under-serviced market, changing industry trends, population shift or change in leisure activities.

2. Gather information from a variety of sources

It's important to use a range of resources so you can cross-reference information and build a detailed picture of your chosen target markets. There are two main types of data source:

Primary, which includes

- customer surveys;
- direct client feedback; and
- comments on your website or social media pages.

Secondary, which includes

- industry associations;
- data providers e.g. Australian Bureau of Statistics, IBIS World; and
- local councils.

3. Analyse the results

The key to successful analysis is to remain objective. As you review the results keep the following in mind:

- Be aware of your own biases.
- Trends may be hard to spot, so instead look for similarities.
- Don't ignore results that are different from those you expected.

Use the findings from your analysis to determine the best way to get your product or service to the right people. If research shows your proposed business is unlikely to be successful, it may be time to rethink your concept or strategy.



The Small Business Development Corporation can provide you with free-of-charge access to online data from IBIS World and FMRC Benchmarks. Visit the SBDC website to find out more.

Profile your target markets

Trying to promote your product or service to everyone is costly and ineffectual, so market segmentation is essential. By splitting your potential customers into clear segments, you can tailor your message to suit them and gain greater value from your marketing budget.

Market segmentation involves dividing your broad target market into subsets of consumers with common needs. There are a number of ways to segment a market.

Type of segmentation	Variables
Geographic	<ul style="list-style-type: none">• Where do they live?• Where do they work?
Demographic	<ul style="list-style-type: none">• Are they male or female?• How old are they?• How educated are they?• What are their most common job types?• What is their average income?
Lifestyle and values	<ul style="list-style-type: none">• What is their family situation?• What do they value in their lives?• What are their hobbies and interests?• Do they have children?• Do they have pets?
Behavioural	<ul style="list-style-type: none">• What is the primary reason they would use your product or service?• What appeals to them about your particular brand?• What are their usage rates of your product or service?• Where do they typically source information about your type of product or service?

Defining your business brand

Every business, regardless of size, needs a brand. A brand is more than a logo, tagline or colour; a strong, well-articulated brand emotionally connects with your target customers and conveys who you are, what you stand for and what you can deliver.

The branding process

Creating a new brand or revamping an existing one (if you've purchased an established business) essentially follows a three-stage process:

1. Define your brand

You can define your brand by creating a simple list or, in larger businesses, undertaking a workshop with key employees. Address the following:

- In one sentence, what does your business stand for?
- How will this be shown through actions?
- How will this be incorporated into your interactions with customers?
- How will customers experience this when using your product or service?
- What will your customers' 'brand experience' be when using your product or service?



You should be able to summarise in 60 seconds what your business is about; why customers need your product or service; and how you satisfy that need.

2. Develop your brand's visual identity

A logo on its own has no meaning. However, over time a brand's visual identity will take on attributes resulting from people's experiences of the product or service.

This is why it's important to initially define your brand. What your business stands for will determine the following five elements that make up its visual brand:

- **Business name:** Whether you choose a quirky or functional business name, make sure it's easy to pronounce and spell. Try to include keywords that will help with your website search engine optimisation (SEO).
- **Logo:** Keep it simple, legible and effective, even in black and white.
- **Colours:** Choose colours that reflect your business and create the desired response from your target audience.

- **Tagline:** Use around three to seven words. It should sum up your brand's position in a succinct but vivid way. Great examples include Nike's 'Just do it' and L'Oréal's 'Because you're worth it'.
- **Fonts:** It's a good idea to use common fonts, for example Arial or Verdana, as they are easy to read and standard on most computers and mobile devices. The same font should be used consistently across all your marketing materials.

It is a good idea to employ a professional graphic designer to develop your logo and select your fonts and brand colours. They will understand what works best across a range of online and print materials.

3. Manage your brand

Deliver a consistent brand experience, understand your brand's value and seek opportunities to build your brand's reputation. Look at ways of being proactive in your industry and giving back by sharing knowledge or experiences.

Protecting your brand through trade marking may be beneficial for your business. Visit ipaaustralia.gov.au to find out more.



When defining your brand:

- identify your core values;
- promote a consistent, simple message;
- ask staff ask for their input;
- avoid exaggerated claims ; and
- everything you do should reflect your brand.

Reviewing an established brand

If you have purchased, or are considering purchasing, an established business you should review the strength and relevance of their existing brand. This should be included in your financial evaluation of the business's viability.

Purchasing an established business doesn't mean having to change its branding; in some cases this can be detrimental, especially if the previous owners had built a strong, positive reputation. If you suddenly change the brand customers may not know who you are and work will be needed to regain a name in the market.

Develop your marketing plan

When writing a marketing plan, be clear about your objectives and how you're going to achieve them. A good marketing plan sets realistic and measurable objectives, allocates responsibilities, and includes budgets and action plans. Update it regularly to reflect the current position of your business.

A marketing plan should include the following key elements:

1. Business analysis

This is a snapshot of your current position, where you have been and where you want to go. Include these details:

- mission statement (What is the fundamental purpose of your business? From a customer's point of view, why do you exist?);
- vision statement (What do you see for your company in the future?);
- objectives;
- product/service;
- financial analysis; and
- SWOT analysis (a review of the strengths, weaknesses, opportunities and threats relating to the business).

2. Market overview

Part of determining how you differ from competitors and where your product or service will fit into the existing market is analysing your:

- market;
- customers/clients;
- competitors' offerings; and
- external factors.

This should be revisited regularly to ensure your strategy remains relevant and targeted.

3. Marketing objectives

Objectives may be financial (aiming to increase sales) or marketing focused (aiming to build awareness of your product or service). Your objectives should be 'SMART' (specific, measurable, achievable, realistic and timed).

For example:

- To gain 15% of the market for camping stoves by December 2020 (a market share objective).
- To make your orange juice the preferred brand of 21-29 year old females in Australia by August 2019 (a branding objective).

4. Marketing strategy

There are eight specific elements that make up a marketing strategy, often known as the 'marketing mix'.

The Eight Ps of marketing are:

- your **product** (or service);
- the **pricing** of your product or service;
- your **position** in the market;
- the **promotion** of your product or service;
- the **people** in your business (staff);
- the **process** of your customers' buying experience;
- the **physical** environment where the product/service is presented; and
- **productivity** and quality – in what ways are you offering a good deal for customers?

5. Specific activities

Plan the specific activities you will undertake to achieve your marketing objectives. The activities must align with your marketing strategy. Refer to 'Action your marketing plan' below.

6. Finances

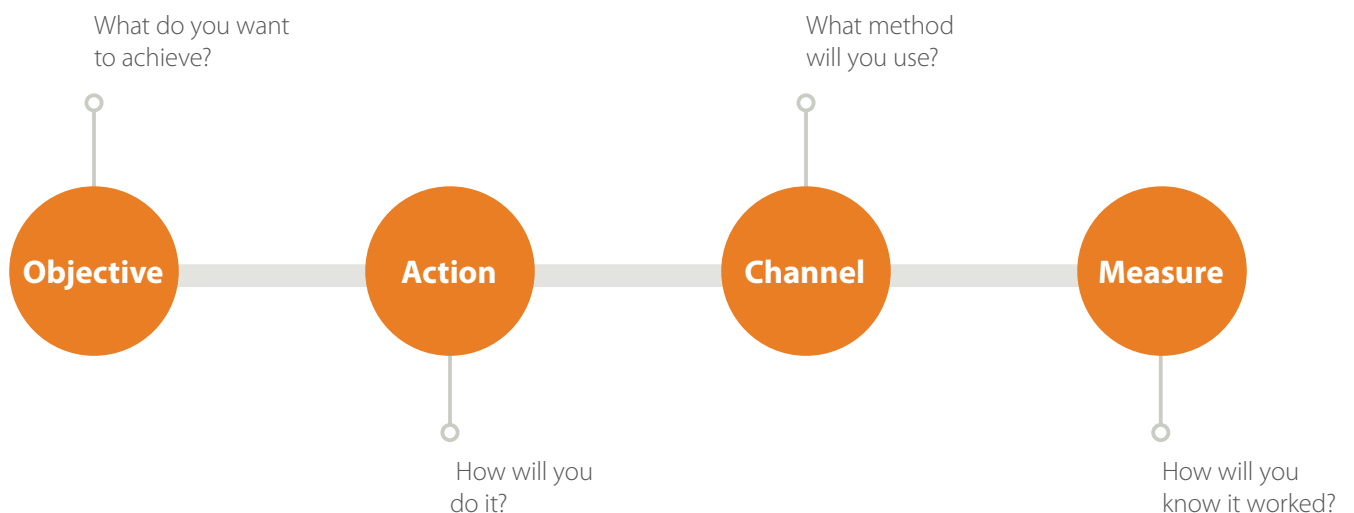
A rule of thumb is to spend between three and five per cent of your actual or expected annual turnover on your marketing budget. However, if the business is new you will need to inject more funds to build your business profile. Use financial statements and projections to assist in creating your marketing budget.

7. Monitoring/evaluation activities

Reviewing the impact of your marketing should be a regular activity.

Action your marketing plan

A key component of your marketing plan is defining exactly what you will do to communicate and engage with your customers. When actioning your marketing plan, follow these key steps:



Most people understand what they want to achieve (objective) and how they will do it (action) and what the outcome is (measure) but become stuck on the methods available (channel).

Understanding channels

Depending on your target market, use channels (or marketing avenues) that most appeal to those you want to reach. There are many options, however the key is to focus on those your target market uses most. Below are some examples of channels.

Channel	Outcome
Website	Customers can find out about your product or service and buy it.
Social media: Facebook, Twitter, LinkedIn, Google+	Customers can interact with you and find out more about what you provide. You can share experiences and knowledge to build your reputation in the community.
Videos	Share experiences and knowledge to build your reputation. Customers can learn something about your business or industry.
E-newsletters	Customers can be kept informed about what your business is doing.
Word of mouth	Encourage customers to share their experience of your product/service through online consumer review sites.
Loyalty programs	Give customers a reason to stick with your business.
Print advertising	Let your market know what you do and how to buy it.

Tips for choosing your channels

For the best results adopt a methodical approach to deciding which channels to use and why. Consider the following as you write your marketing plan.

Your target market: Who are they and how do they get most of their information? Don't waste money on a print advertising campaign if your target market is mostly online.

Focus your efforts: Don't try to use all the social media options, focus on those that will provide the best results.

Don't give up: Relationships take time to build. Social media relationships need to be built and consistently maintained.

Have a coordinated strategy: The more often potential customers see your message, the greater the impact. If they see a print advertisement, your business name appears in their Facebook feed and they then hear a colleague mention it, people will start to pay attention.

Monitor results: Monitor and analyse your marketing campaigns, there is no point repeating them and spending money if they're not working.



Successful businesses let their customers do the talking for them. Happy customers spread the word and encourage their friends and family to use your business. Good customer service includes promptly responding to queries, resolving issues, using simple transaction processes and providing a quality product or service.

Monitor and manage your marketing



It is important to regularly monitor your activities in relation to industry trends, client needs and your competition to remain relevant and ahead of the game.

However, don't be overly reactive – if something is working well, keep at it. If you change too often clients won't be able to build a stable relationship with you.

When to monitor

Initially you should review your marketing plan every three months to make sure your activities are supporting the strategy and that you are gaining traction with your target market.

As you become more established, your plan should be reviewed when there is a change in your business (for example introducing a new service or rapid growth), if an issue affecting your industry arises, or a new competitor enters the market.

Methods of monitoring

Your channels will determine how you monitor your marketing activities. In each case, the key information you need to know is:

- How did your customers find out about you?
- Why do they prefer your product or service?
- What, if anything, could be improved?

Tools to help you with monitoring

Channel	Monitoring tool
Website	Set a regular time each week to assess your website's performance. Review: <ul style="list-style-type: none">• Volume of web traffic• How long users stay on your website• Which pages are most popular Google Analytics is a free tool that can be embedded into most websites.
Social media and online marketing	Most social media comes with built-in analytics. Some popular online marketing tools include: <ul style="list-style-type: none">• Facebook Insights• YouTube Analytics• Pinterest Analytics• Google Adwords
Print advertising	Print advertising should include a 'call to action' so you can analyse outcomes. For example: <ul style="list-style-type: none">• Order by end of week for free shipping• Become a member to receive discounts• Bring in this voucher to receive a free sample
Marketing calendar	Set up a calendar to include significant events in your area that may impact on your business. Set your campaigns to leverage these events.

To learn more about marketing, sign up for one of the SBDC's marketing workshops:

- Spreading the Word – marketing your business
- Website Basics
- Online marketing – doing it yourself

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