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ON A SHOESTRING

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Make it a good news story

Accepting past mistakes and capitalising on them will separate a good SME from one that hasn't yet learned, suggests **Jo Macdermott**.

As a small business owner/operator, business is often personal. So what happens when our business, or we as the business owner, stuff up?

Because it is personal, do we take it as a reflection on our own character? Do we bury our head in the sand and pretend that it didn't happen? How do we deal with it when there isn't an organisational structure to hide behind? It can be quite challenging.

Ignoring the problem is the worst thing you can do. A better approach is to acknowledge your shortcomings and try to turn a negative story into a good news story. Here are some recommendations on how...

Let's start with an example from my own business. I run an event called Marketing Puzzle in conjunction with a long-time business associate. We hold approximately three to four events per year. Just before our second event, which we held earlier this year, I received a very generous offer from a contact of mine to provide the wine (free of charge) for the evening. How could I resist? We kindly took up the offer.

“I received a very generous offer from a contact of mine to provide the wine (free of charge) for the evening. How could I resist!”

What I didn't do when accepting the offer, however, was clarify what my contact wanted to get out of the event in terms of branding/exposure. The event went ahead as planned and at the end of the night my contact came up to me and said how disappointed she was that we hadn't supported/promoted her brand during the formalities.

Oops – we had stuffed up.

So how did we turn around the situation? Instead of pretending that it never happened, I phoned the next morning and apologised. I didn't offer any excuses, but asked if we could make it up to her. She accepted my offer and

I then held a brainstorming session with my associate and presented a proposal of ideas of how we could help promote her business in other ways. Essentially, we turned the situation into a positive experience.

Coca Cola recently ran advertisements in major newspapers clarifying errors in a recent advertising campaign. Although the company was compelled to do so due to court action, I wonder whether it would have been better to do so before being forced by a legal authority. What do you think as a consumer?

Being upfront and honest about a mistake or weakness in your business is important. Now that we are being completely open and honest, has your business ever been known for any of the following?

- providing great follow-up, but negligible customer service
- only having good follow-up during the initial sales process
- trashing website inquiries
- reducing telecommunication costs by rarely returning phone calls
- only replying to emails that could be answered with yes/no responses, and



- having a deliberate policy to under-quote and over-invoice.

If you have recognised a particular area of weakness (either from the above list or some other concern), use this opportunity to reconnect with lost customers. Be open and honest about where you were at and where you are now, and create some buzz around it. If, however, your business reputation is at serious risk, perhaps you should consider doing what most big organisations would do in this instance, which is hire a public relations agency. If you would like some practical ideas that you could implement in-house, here are some tips.

PICK UP THE PHONE

I have heard of many instances where companies have given a new employee a list of past customers to call/reconnect with in an attempt to generate some new sales/business. If you have this in mind, it is best to explain as thoroughly as possible on a case-by-case basis to the new employee, why these customers no longer buy from you. Hopefully you have a CRM system that has notes about any prior dealings. The last thing you want is one of these customers

to become more upset with your business and your new recruit to leave because they have been abused for your past mistakes.

REVIEW ADVERTISING CAMPAIGN/ ADDRESS SHORTCOMINGS

I recently saw a new advertisement for a skin clinic that I visited last year. Even though I have current skin care needs, the new advertisement did not persuade me to visit them again – the reason being that the clinic's customer service and wait times were, based on my experience last year, unacceptable. In my case, I waited over an hour past my appointment time after being advised by the receptionist on arrival, "Take a seat, it won't be long". Apparently a lengthy wait time for this clinic was acceptable. Had the new advertisement featured a headline 'Improved waiting times', I would have considered visiting again.

EMAIL ALL WEB INQUIRIES THAT WEREN'T ANSWERED

Although it may be too late to capitalise on the original sales/website inquiry, it is worth sending an apology note to all people who have

sent an inquiry to your business and didn't get a response/follow-up. In this instance, a sales promotion would be a nice way to try and make it up and encourage a purchase for your business.

ISSUE A NEW CUSTOMER SERVICE POLICY

If your customer service has not been up to scratch, then perhaps it is time to create a customer service policy or charter for your employees and customers. Before you issue it, get feedback from some 'friendly' customers to make sure that you have hit all the right 'hot buttons'. Once you have signed it off, tell as many people as possible about it – write to all your customers, include it in your sales proposals, have a dedicated section on your website and make it part of your 'on hold' music. Make the most of your efforts to correct past wrongs and build your business from this new platform.

If as SME operators we can capitalise on our personal relationships rather than hide from our mistakes, we are ideally positioned to be leaders in our market. **M**