

# SMALL BUSINESS SUCCESS



December 2006

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## Christmas Charity from Your Business

The Christmas season is upon us again. Decorations in the malls, Christmas lights adorning homes and city streets, Christmas sale signs in store windows, the bustle of shoppers, the aroma of cinnamon and nutmeg in your favorite coffee shop, Christmas concerts and music - for most of us, it brings a warmth and anticipation of celebrating with friends and family. But for many of us, the holiday season also brings a sense of gratitude for the things we have, along with an awareness that there are many in our communities who struggle through this season. In addition to the festivities you may have planned for your business this holiday season, you may want to consider how your business can contribute to the needs of those less fortunate. Not only is it a great way to give back to your community, it's also a great way to let your customers and staff participate with you in showing charity. If you've never done anything like this before, here are a few ideas.

### Partner with a local charity

People enjoy donating to local causes and seeing their dollars go to good use right in their own back yard. Talk to someone from your local food bank, homeless shelter, hospital, or other social service agency that depends on donations for survival. Ask them specifically what their needs are over the holiday season, and then come up with creative ways to meet those needs. For instance, put a box in your store for customers or staff to bring donations to the food bank. In our town, a well-known coffee shop collects unwrapped new toys that they deliver to the local children's hospital. A local bookstore collects new books to assist an organization that works with literacy, a pregnancy centre collects teddy bears and infant toys for their new moms, and our local credit union collects good quality used coats for children and adults living in homeless shelters. There are lots of needs in your community - find something you feel you could passionately support and then be creative with how to draw in your customers and staff to give to your chosen cause.

### Prepare Christmas hampers for needy families

If you want to get a little more personal, contact your local Christmas support agency (almost every



town has one) that puts together food hampers for families in crisis during this season. They will usually give you a list of suggested food items for the hamper, as well as the ages of children in the family, and ideas for gifts for the kids and mom and/or dad. It can be so much fun to prepare a gift you know is going directly to one special family, and in my experience, it's hard to stop once you've completed the list! This can be a great bonding experience for you and your staff as you work together toward a common goal. You could split up the list among your staff, or have them pick the things they'd like to personally contribute. In some cases, you might even have the privilege of being

able to deliver the package in person, which is more rewarding than you can imagine!

### **Inspire your customers by matching their donations**

If you have a particular cause you'd like to support, let your customers know you will match their donations dollar for dollar. This is highly motivating for people - it makes them feel like their giving is being doubled (which it is), and increases their generosity.

### **Take a day off and volunteer**

This one might be more difficult for larger businesses - but small businesses can afford to get away with things like this from time to time. Do some research on local charities that rely on volunteers during the holiday season. It could be sorting food items for hampers, serving in a soup kitchen, wrapping donated gift items - there's no end to the opportunities. Then, a week prior put a notice up in your store window that says you will be "CLOSED for CHARITY" on that specific day, letting your customers know you and your staff are spending the day volunteering. Invite your customers to come down and help as well! Amazing things happen when we give of our time and resources to do "hands-on" things for others. It will be a day your staff will never forget.

Those are just a few ideas - it takes a little bit of creativity and research to find the project that's just right for you and your company, but the effort is well worth it. Don't let this holiday season go by without offering something of yourself to someone who needs a bit of support. Your business can benefit in many ways. You will become known by your customers as a business that cares; your staff will be impacted by your leadership in this area and bond with each other as they work together to meet the needs of others; and everyone will receive the benefit of how great it feels to do something for someone else. Seems to me, that's good for business!

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## **More Bang for Your Buck (Part 1)**

***Spending Your Advertising Dollars for Maximum Return***

Last month we asked for suggestions from our readers on what subjects they would like to see us cover. Leanne owns a home decor and gift gallery store called 'Finishing Touches' in Red Lake, Ontario and she asked for advice on advertising a small business; the pros and cons of different types of advertising; general marketing techniques; how to get your business 'out there' and educating the community on your products or services. Thanks for the suggestion Leanne. Please keep the suggestions coming as we really like to keep Small Business Success relevant to the business issues you face day-to-day. There is a lot of ground to cover, so this will be a two-part article! Watch for the conclusion in the January edition.

<b>December 2006</b>					
	1-9	10-16	17-23	24-30	Total
<b>Referral</b>	IIII	III	II	IIII	13
<b>Gazette Ad</b>	I			I	2
<b>Bugle Ad</b>	II		I		3
<b>Yellow Pages</b>	II	I	I	II	6
<b>Radio Ad</b>	I	I	I	II	5
<b>Press coverage</b>			IIII	IIII	8
<b>Seminar</b>		IIIIII	II		8
<b>Total</b>	10	11	11	13	45

### **Discovering the 20% that works**

Someone once said that they knew that only 20% of their advertising was working, they just didn't know which 20%! There is a lot of truth in that statement and the

first thing I would urge you to do is keep a record of where every lead comes from. This is really simple; every time you get a lead - ask them how they heard of you. Using a chart like the one below, add all the ways people can find out about you and then mark down every contact you get. At the end of the month add the totals and you will see which of your advertising efforts is working and which is costing you money. Give it a few months before making a change to your advertising strategy.

This chart gives a clear indication that the seminar you gave worked well, as did the press coverage, but the newspaper advertisements proved a poor return on investment. Remember, you are not IBM! One of the biggest problems I see is that small business owners try to reach too big an audience. If you are IBM you can place ads in newspapers, magazine, on television and radio, on buses and subways and reach the world. But, unless you have several million dollars to spend you need to carefully target your market and spend your budget wisely.

### **Do print ads work ?**

Let's take a look at print advertising. There are many schools of thought with regard to advertising in newspapers and magazines, and what might apply to one type of business may not apply to another. You may have to use trial and error to see what works for you. I have been consulting with small businesses for more than a decade and this is what I have observed in the area of print advertising.

In general, for small businesses, print advertising does not show a good return. If you are promoting



they have to make a mental commitment at the time they see the announcement. If your ad is generic and promoting your range of products or services, then you are looking farther than just bringing people to your door for a specific sale - you are looking to build brand awareness. In order to accomplish brand awareness, you will have to commit yourself to advertising in every edition for at least a year to make it effective.

When would you consider brand awareness as opposed to sales? Imagine that someone sees your ad. If they don't need what you are

selling immediately and urgently they are likely to file it at the back of their mind, and we all know what that means - it will be forgotten by the time they finish their next coffee! On the other hand, if they see the advertisement continually, over a long period of time, it sinks into their sub-conscious and when they eventually need what you sell, your name is at the forefront of their minds. The trouble is, it is costly to advertise continually - so watch your budget and make sure it's brand awareness you're after, not a specific time-dated customer draw.

### ***Will your customers let their fingers do the walking?***

Yellow Pages ads can work well for certain businesses and poorly for others. The question you need to ask yourself is, "are the Yellow Pages the logical place my potential market is likely to look for the type of product or service I sell?" For instance, if you have a leak in a water pipe you may reach for the Yellow Pages to find a plumber quickly. If you want a lawyer you may peruse the ads and see which law office specializes in what you need. But if you want someone to tutor your son or daughter in math, you are more likely to ask at the school, or speak to other parents. If Yellow Pages will reach your potential customers then it is often best to buy the biggest ad you can afford. In this market, size really does count. Not everyone equates ad size to credibility, but many people do - at least enough of them to make a difference in your investment vs. return.

### ***Radio and television - are they the answer?***

Television is too expensive for a lot of small businesses, and in my experience, to be successful you have to commit to it for the long term. Once again it is a brand-building exercise rather than something that will spur people to immediately call you and make a purchase.

Local radio can be successful as each station appeals to a specific demographic (i.e. under 30's, 50+ etc.) within a relatively small geographic area, and is especially successful in smaller communities where radio tends to be the primary information source. If you are going to try radio, I would suggest you sit down with the station sales staff and negotiate more than just straight forward ads. Discuss running a competition where you give away cash or your product or service. The more imaginative you can get the more likely your advertising dollars are going to work for you. Even small radio stations have a creative department who will work with you to come up with something that will meet your budget and your needs. It's in their best interest to give you a high return on your investment so you'll keep advertising with them!

how to educate your target market about what you sell, and how to become a magnet company. Look forward to the January issue for that and a whole lot more!

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## Eliminating Habits that Hurt Credibility

You've earned your position in your business through the sweat of your brow and endless hours of committed hard work. You alone are responsible for taking it from a concept on a piece of paper to a thriving, successful enterprise. You've gone from a staff of one, to managing a group of people who look to you daily for guidance and direction. You've got a loyal base of customers who love to give you their business. It seems like you're on top of the world. What could possibly happen to destroy what you have spent years building? As with anything else, when we reach our goals and have accomplished what we set out to do, we can get complacent, rest on our laurels and forget what got us there in the first place. When you hired your very first staff person, you were keenly aware of your role as mentor, example, and guide. Now that you've got ten employees, it doesn't seem quite as important anymore. In order to keep your credibility high in the eyes of your staff, your customers, and even your industry, make sure you don't fall into bad habits that can hurt your credibility.



### Negative or sloppy work habits

It might seem like you've earned the right to sit back and take it easy after all those years of hard work. But remember, others are watching. If they see you cutting corners or getting sloppy with your work habits (coming in late, leaving early, taking long breaks for no reason), they will eventually emulate what they are seeing in you, and your credibility will suffer.

### Failure to commit to ongoing self-improvement

Sure you know everything there is to know about your business . . . or do you? Are you regularly taking advantage of training and opportunities to learn more about your industry? If you're tempted to stop getting better at what you do - you'll start moving backwards. You can't expect your staff to be committed to personal and professional growth if you don't demonstrate it to them.

### Negativity toward clients and customers

It might be easy, after a while, to start getting chummy with your staff and to begin to talk negatively about those customers who drive you all crazy. That is gossip; plain and simple. And although your staff may seem to enjoy what appears to be camaraderie, you are steadily losing credibility in their eyes. Your customers are always number one - and by speaking ill of them - even if they deserve it from your perspective - never gains you respect. And, if by some chance, your customers get wind of it, you'll be spending a lot of time and energy trying to repair the damage.

### Abdicating your leadership responsibilities

