

BUSINESS INTELLIGENCE

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Strategies and Trends for the Successful Business

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IDEAwatch

Tips for Growing Your Business

■ **Keep a close watch on your Google My Business (GMB) listing.** Some features can work against you. For example, have you ever considered that the Questions and Answers feature can be used by spammers? The Q&A feature isn't something a business can turn off and on, so be sure to monitor this section. Visitors can upvote answers, too, even when the answer is wrong. Therefore, it's important to make sure that your business is the one responding to questions (and gets upvotes). Another feature caveat is that GMB listings are now limited to 20 service areas, and Google will start making suggestions for the new service areas. The problem is that Google may think it knows your service area when it really doesn't.

Source: www.mailchimp.com

■ **Engage your employees by letting them volunteer** on company time. Studies have shown that employees are looking for ways to give back to their communities. Consider establishing a community service partnership with an organization or set of organizations that could benefit from your employee's talent or time. Look for opportunities that allow employees to gain new skills or perspectives.

Source: www.harvardbusiness.com

■ **Never provide added value in a proposal.** That's because nothing kills a proposal faster than packing it with "value" and features that the client doesn't need. It may sound counter-intuitive. After all, the more value you provide, the better, right? Not so fast. When you stuff a proposal with added benefits and features that were not discussed with the client, you risk leaving them wondering if they're paying too much for something they don't need. If you feel like a prospect could genuinely benefit from some of your added services, bring them up prior to the proposal going out.

Source: www.engageselling.com

MARKETING

Make Your Product Uniquely Memorable

by Marty Zwilling

EVERY ENTREPRENEUR BELIEVES that their product or service is memorable, and that every customer will quickly see the advantage over competitors. Yet true product differentiation in the eye of the customer is rarely achieved. According to an old (but still relevant) survey by Bain & Company, 80% of businesses believe they have differentiated offerings, but only 8% of customers agree.

Even back then, experts projected that businesses with truly differentiated offerings had only an 80% chance of long-term success, compared to "me-too" companies with a 20% chance. In my view, both of these numbers have come down recently. Differentiation is still a key requirement for a successful startup rollout, but it must be sustainable to keep ahead of new competition.

Since I'm a fan of real-world feedback, I was intrigued by the insights on differentiation in the classic book, *Roadside MBA: Back Road Lessons for Entrepreneurs, Executives and Small Business Owners*, by Michael Mazzeo, Paul Oyer and Scott Schaefer. As well as having great academic credentials, these guys traversed the USA getting lessons from real small businesses.

Here are a few of their conclusions relative to product differentiation, supplemented by my own recommendations from recent experience and other experts:

1. Work on perceptions, as well as reality. It doesn't do you any good to be different if your customers can't perceive the difference, or you don't tell anyone about it. The days are gone for the "if we build it, they will come" mentality. Marketing and target customer relationships are always required, no matter what.

Of course, working on perception can backfire if the differentiation reality isn't there. Remember the old saying, "You can put lipstick on a pig, but it's

still going to be a pig." Like a damaged reputation, a discredited differentiation is extremely difficult to turn positive.

2. Quantify the difference for your customers. Use numbers to make your offering the clear alternative. Fuzzy marketing terms like easier to use, lower

You may think that your business is different from the competition, but that doesn't mean customers agree.

cost and higher quality are not effective differentiators, since they have been over-used to the point of having no meaning.

Real data and customer testimonials say it best, such as, "get it done in half the time" or "half the cost" or "comes with a 5-year warranty." In my experience, numbers less than 20% are not enough, since small numbers are not likely to overcome the inertia and learning curve required of most customers.

3. Focus on customers you really care about and who care about you. Trying to be all things to all people never works. Identify your target customer segment before you finalize your differentiation. For example, customers with high disposable income will likely respond better to unique features, rather than to a lower cost.

One business I visited on the road had successfully implemented a product-differentiation strategy to appeal to the 20% of their clients who were the most profitable and discourage the 80% who were more costly. They noted that customers' loyalty grew with their real preference for the unique product features offered.

4. Customize to differentiate, but do it efficiently. The new generation of customers expect to get what they want, when they want it, customized to their taste. So customization is an important differentiation strategy, but be sure to strike a balance between the revenue potential of the effort versus the costs required to execute.

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■ **Print is still a great way to reach the lucrative baby boomer market.** True, print has declined, but according to the Pew Research Center, print newspapers are the second most popular way for adults 65-plus to consume their news, and research from Kantar indicates that skeptical adults tend to trust print more than other news sources. Concerned about tracking? Vanity URLs, phone numbers and discount codes can help determine how well a print ad performs.

Source: www.targetmarketingmag.com

■ **Build a careers page that attracts the best employees.** A good careers section on your website should do more than just list jobs. It needs to communicate why your company is the right one to work for. Provide your company history, including how the company has changed over the years. Connect the careers page to the staff page, so candidates can see who they'll be working with. You may even want to include a video where employees talk about why they love working there. The careers section should talk about the company culture, awards, community involvement, employee benefits and educational opportunities. Make your company's personality shine.

Source: www.fathomdelivers.com

■ **Boost the power of positive reviews** written by happy customers on review sites. In addition to saying thank you for the review, be sure to use the person's name, making it clear that a real person is replying, as opposed to an impersonal copy-and-paste job. You can optimize your SEO here by including the name of your business and any important keywords or details in your response to encourage the positive review's appearance in search results for your business. And, include a call-to-action, making suggestions for the customer's next visit. For example, if your business is a hotel: "Be sure to stop by our spa for a luxurious massage on your next visit!" If your business is a retail store: "Don't forget to join our loyalty program to take advantage of extra benefits like early notifications of sales!" This is an easy way to do marketing and let those viewing the reviews know about different segments of your business.

Source: www.customerthink.com

What consumers look for in business reviews

So you've got some positive reviews for your business, but are they enough to get the phone ringing? When judging a local business on reviews, the two most important factors consumers pay attention to are recency and overall star rating, per a recent survey from BrightLocal.

The vast majority (82%) of consumers surveyed report reading reviews at least occasionally, and 91% say that a positive review makes them more likely to use a business. From there, 58% of the more than 1,000 U.S. consumers surveyed say that they judge a review of a local business by how recent the review is.

So how recent should those reviews be? For almost half (48%) of respondents, a review should be within two weeks of

when they view it in order to impact their decision, while one-fifth (21% share) of respondents say a review can be as recent as one month to impact their decision.

The majority (57%) of respondents say that they pay attention to overall star ratings when judging a local business by its reviews. The minimum number of stars a business rating can have for consumers to still use them appears to be between three and four, according to 35% of those surveyed. However, the threshold is higher for about 12% of respondents, for whom a business must have five stars in order for them to use their products or services.

Source: Marketingcharts.com, Jan. 3, 2020

Preparing for a Gen Z workforce

They're between the ages of 9 and 22 years old, and 2019 was the first year that the first of them completed a four-year college degree and started entering the workforce. Are you ready for Generation Z?

Gen Z is already being distinguished as the most educated generation, with 59% of them attending college compared to 53% of millennials. They are also by far the most diverse generation, with 48% of Gen Z identifying as racial or ethnic minorities, compared to 39% of millennials.

Generation Z cares about working for companies that value and prioritize creating a genuinely diverse and inclusive workplace — so much so that 77% of Gen Z report that a company's

diversity efforts affect their decision to accept a job.

So far, it appears that Gen Z is slower to enter the workforce compared to millennials when they first started. Therefore, be prepared for Gen Z applicants to not have as much internship or work experience when applying to jobs right out of school.

While millennials are stereotyped as caring more about experiences, 60% of Generation Z say money is a determinant of success, so be prepared to set competitive salaries to attract top candidates. Gen Z employees also care about receiving quality health insurance, with 70% saying it's an essential benefit to accept a job offer.

Source: Builtin.com, Jan. 15, 2020

Memorable continued from page 1

We have moved from the era of mass customization to collaborative customization. Today, differentiated companies enable customers to determine the precise product offering that best serves that customer's needs. For example, MakeYourOwnJeans encourages customers to tailor-make jeans dynamically per their specifications.

5. Define a unique selling proposition (USP) and keep it simple.

Complex or highly technical selling propositions are not good differentiators, since they will likely not grab people's attention or be remembered by most customers. A good example is Domino's Pizza's "We'll deliver in 30 minutes or less, or it's free!"

Successful product differentiation requires a conscious and continuous effort, including listening on the right social media channels, being consistently helpful to your customers and focusing on continuous innovation. But the results can put you in that coveted 8% that customers remember for real fun and profit. Isn't that why you signed on to the entrepreneur lifestyle in the first place?

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■ **Gain visibility for your B2B firm through the underrated power of LinkedIn content creation.** Strategist Shay Rowbottom got her start on LinkedIn by creating content, and to date has made in excess of seven figures from publishing on the site. Here are some of her quick tips for getting started in the LinkedIn space and using it as an engine for acquiring customers. 1) Create and post videos that are short, say 90 seconds or less. 2) But keep accompanying text long. Longer text posts perform better than short ones. You're allowed 1,300 characters on LinkedIn, so try to use them. 3) Instead of starting your video with your name and who you are, use a catchy headline or "hook," so that attention is captured from the start. 4) Generate comments, which drive the algorithm. Personally ask relevant people in your network and your employees to post a comment. 5) Use hashtags. Research relevant hashtags that have the largest following on LinkedIn, plus create a custom hashtag that's related to the name of your company.

Source: www.entrepreneur.com

■ **Pitching your startup to investors?** Carter Cast, operating partner at Pritzker Group Venture Capital, suggests opening with a 30-second "elevator pitch" on your value proposition. In that time, investors should learn your target market, that market's need and your solution. "Don't do a slow reveal. Don't make me figure out what business you're in over time," Cast says. Also, instead of briefly introducing your team, Cast recommends offering a quick, impressive insight into just what each member offers the business. Those endorsements endear those team members to the people receiving your pitch. Finally, Cast recommends asking for double the amount of money that you expect you'll need. By doubling your ask, you can cover unforeseen issues without worrying about having to come back to investors to ask for additional funding, which almost invariably ends with giving up more of the company.

Source: insight.kellogg.northwestern.edu

Consumers prefer small businesses – here's why

Consumers are eager to choose a local small business over a major corporation, according to a new survey by Salesforce.

According to researchers, 86% of respondents said they were willing to pay a little more to support a small business, and 47% said they often go out of their way to shop at locally owned businesses. If the transaction was a good experience, 85% said they were either always or sometimes likely to tell others about it.

According to the survey, there are five main reasons why people opt to support small businesses for a long time. Here's the list, ranked in order of importance

to the customer: 1) There was consistently excellent customer service. 2) The small business offered a more personal experience. 3) The small business offered unique products or services. 4) Over time, the business and its employees understand a customer's needs or interests. 5) The small business has a unique character or flair about it that seems attractive to customers.

To develop customer loyalty, the important takeaway is that the positive experiences have to happen consistently over time.

Source: Businessnewsdaily.com, Jan. 10, 2020

Why your second best idea may be better

Think you've got a great idea to solve a problem? Be careful. Sometimes the best solution isn't the one you thought it was.

Justin M. Berg, an assistant professor at Stanford Graduate School of Business who studies creativity and innovation, investigated a relatively understudied part of the creative process: the very early stage, when rough ideas are first generated.

Berg conducted five experiments in which participants tackled creative projects, like devising three ideas for an innovative piece of fitness equipment or a mechanism to keep people from falling asleep in self-driving cars. He then asked the participants to rank the ideas from most to least promising.

Next, Berg asked a separate sample of

experts and consumers to rate the creativity of the participants' ideas. Among the participants who took the time to really develop their ideas, Berg observed that the idea they thought was their second best actually finished the highest in creativity.

One reason many ideas were rated second is because they were more abstract than the first choice, but that's not necessarily a bad thing for an initial idea. The tendency to dismiss an idea for appearing too unclear or abstract, Berg says, must be suppressed in the earliest stages of idea development: "We're probably all killing a lot of our best ideas early in the creative process without knowing it."

Source: gsb.stanford.edu, Dec. 10, 2019

Many will pay more for exceeded expectations

Consumers who had a frustrating shopping experience are three times more likely than satisfied consumers to not buy from the retailer or brand again, but companies that consistently exceed customer expectations could significantly increase revenues by charging a premium for the experience, according to new research from Accenture.

Respondents were deemed to be frustrated if they said that their most-recent shopping experience (i.e., browsing and/or purchasing) didn't meet their expectations and/or if they found any aspect of the shopping experience to be frustrating. Four in 10 shoppers (42%) fell into the

"frustrated" bucket.

Nearly half (47%) of frustrated respondents said they would avoid doing business with the retailer or brand, showing that a frustrating experience can significantly damage brand loyalty.

At the same time, however, the same number (47%) of all consumers said they would be willing to pay more for an experience that exceeds their expectations every time, with frustrated customers almost twice as likely as satisfied consumers to say they'd be willing to pay more for such an experience.

Source: Multichannelmerchant.com, Jan. 12, 2020



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