

Entrepreneurship

Prepared by Dr. Thana Ahmed

Lecture 6

جامعة الجميع الذكية

تسعى لتكون الكيان الأول الذي يتبنى مبدأ المجتمع التعليمي
التعاوني ويقدم العلم مقابل العمل لتنمية وبناء المجتمعات.

Building a Bootstrap Marketing Plan



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Learning Objectives

1

Describe the principles of building a bootstrap marketing plan and explain the benefits of preparing one.

2

Explain how small businesses can pinpoint their target markets.

3

Discuss the role of market research in building a bootstrap marketing plan and outline the market research process.

4

Describe how a small business can build a competitive edge in the marketplace using bootstrap marketing strategies.



Building a Bootstrap Marketing Plan

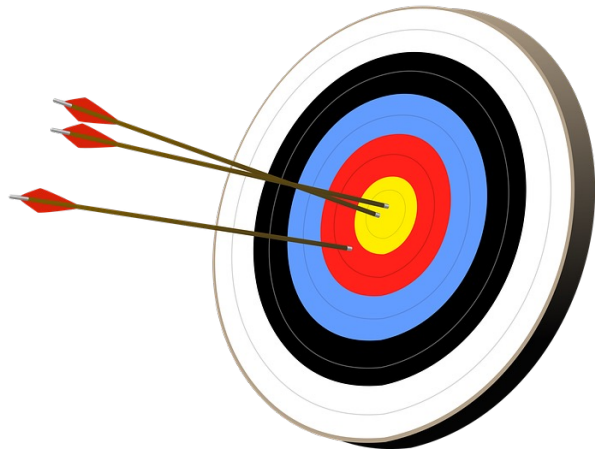
- **Marketing:**
 - The process of creating and delivering desired goods and services to customers.
 - Involves all of the activities associated with winning and retaining loyal customers.
- A solid business plan needs to contain both a financial plan and a marketing plan.

- **Bootstrap marketing strategies:**
 - Are unconventional, low-cost, and creative marketing techniques that allow a small company to realize a greater return from its marketing investment than do larger rivals.
 - Do *not* require large amounts of money to be effective – just *creativity*.

A Seven-Sentence Bootstrap (Guerrilla) Marketing Strategy

- 1. What is the purpose of your marketing?**
- 2. What primary benefit can you offer customers?**
- 3. Who is your target market?**
- 4. Which marketing tools will you use to reach your target audience?**
- 5. What is your company's niche in the marketplace?**
- 6. What is your company's identity in the marketplace?**
- 7. How much money will you spend on your marketing?**

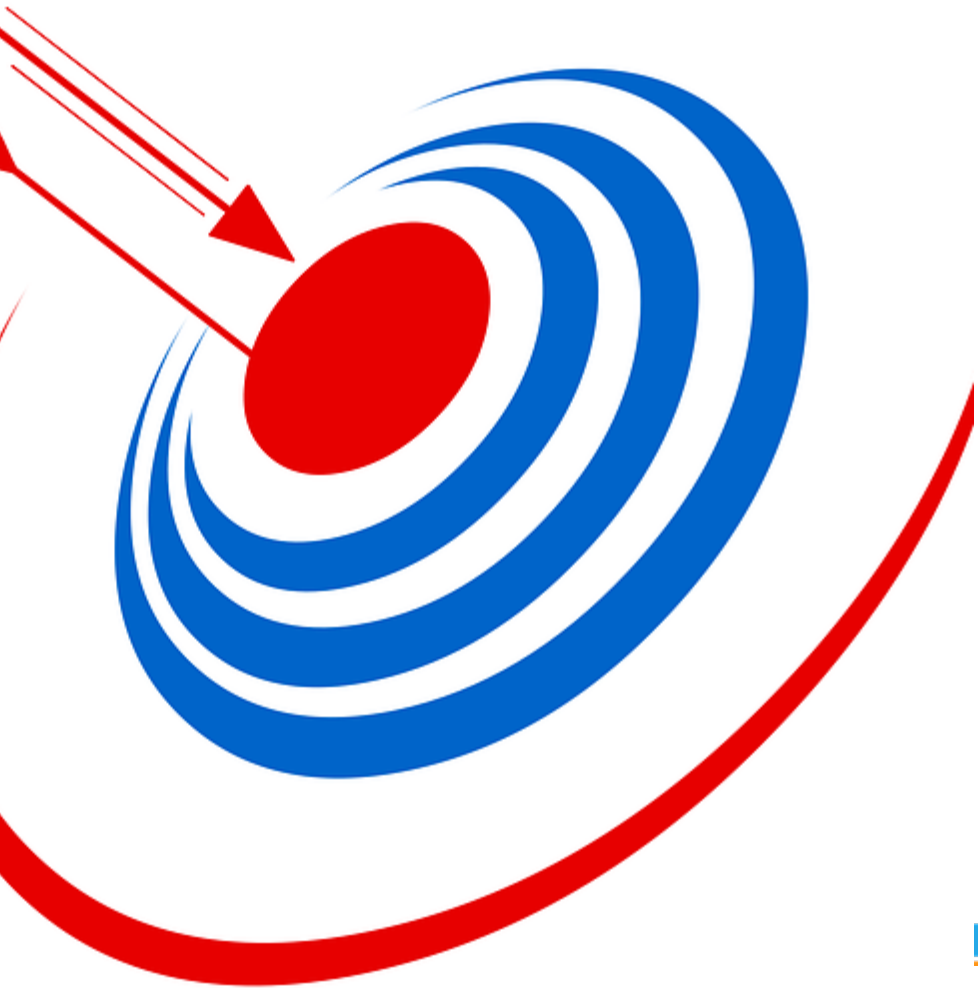
GOAL SETTING



1. Pinpoint the **specific target** markets the company will serve.
2. Determine **customer needs and wants** through market research.
3. Analyze a firm's **competitive advantages** and create a **marketing strategy** to communicate its value proposition to the target market.

TARGET

Pinpointing the Target Market



- **Target market:** the specific group of customers at whom the company aims its products or services.
- Marketing strategy must be built on a clear definition of a company's target customers.

Pinpointing the Target Market

- Target customer must permeate the *entire* business : merchandise sold, background music, layout, décor, and other features.
- Without a clear image of its target market, a small company tries to reach almost everyone and ends up appealing to few.



- Determining customer needs through market research
 - **Demographics:** the study of important population characteristics, such as age, income, race, and education.
 - **Market research:** the vehicle for gathering the information that serves as the foundation for the marketing plan.
 - Never *assume* that a market exists for your company's product or service; prove it!
 - Market research does *not* have to be time consuming, complex, or expensive to be useful.
 - Online surveys, social media, etc.



- Read many diverse current publications
- Watch the top 10 TV shows
- See the top 10 movies
- Talk to at least 150 customers a year
- Talk with the 10 smartest people you know
- Listen to your children and their friends

The Marketing Research Process

1. Identify the problem

- Problem to solve
- Project objectives
- Research questions

2. Develop the research plan

- Information needed
- Research & analysis methods
- Responsible parties

3. Conduct research

- Secondary data review
- Primary data collection
- Suitable methods & techniques

4. Analyze and report findings

- Data formatting & analysis
- Interpretation of results
- Report & recommendations

5. Take action

- Thought and planning
- Evaluation of options
- Course adjustment & execution

Building a Competitive Edge: 14 Bootstrap marketing principles:

- FIND A NICHE AND FILL IT
- USE THE POWER OF PUBLICITY
- DON'T JUST SELL; ENTERTAIN
- STRIVE TO BE UNIQUE
- BUILD A COMMUNITY WITH CUSTOMERS
- CONNECT WITH CUSTOMERS ON AN EMOTIONAL LEVEL
- CREATE AN IDENTITY FOR YOUR BUSINESS THROUGH BRANDING
- EMBRACE SOCIAL MARKETING
- BE DEDICATED TO SERVICE AND CUSTOMER SATISFACTION
- RETAIN EXISTING CUSTOMERS
- BE DEVOTED TO QUALITY
- ATTEND TO CONVENIENCE
- CONCENTRATE ON INNOVATION
- EMPHASIZE SPEED

1. Find a niche and fill it

- Many successful small companies choose their niches carefully and defend them fiercely rather than compete head-to-head with larger rivals.
- A focus (niche) strategy allows a small company to maximize the advantages of its size and to compete effectively even in industries dominated by giants by serving its target customers better than its competitors.
- Focusing on niches that are too small to be attractive to large companies is a common recipe for success among thriving small companies.





It's SUGAR: CANDY STORE FOR ADULTS

2. Use the power of publicity

- **Publicity** : is any commercial news covered by the media that boosts sales but for which a small company does not pay.
- Publicity has power; because it is from an unbiased source, a news feature about a company or a product that appears in a newspaper or magazine has more impact on people's buying decisions than an advertisement does
- The following tactics can help entrepreneurs stimulate publicity for their companies:
 - *Write an article that will interest your customers or potential customers.*
 - *Sponsor an event designed to attract attention.*
 - *Involve celebrities "on the cheap."* 
 - *Contact local television and radio stations and offer to be interviewed.*
 - *Publish a newsletter.*
 - *Contact local business and civic organizations and offer to speak to them.*
 - *Offer or sponsor a seminar.*
 - *Sponsor a community project or support a nonprofit organization or charity*
 - *Promote a cause.*
 - *Etc...*



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<https://www.inc.com/how-i-did-it/academy-awards-hacking-stunt-launched-lookout.html>

3. Don't just sell, entertain



4. Strive to be unique

- One of the most effective bootstrap marketing tactics is to create an image of uniqueness for your business.
- Seven principles that can help make you unique:
 1. *Offer high levels of customer involvement and interaction (Electronic stores, Jarir bookstore)*
 2. *Evoke shoppers' curiosity to explore with a unique displays, store layout, and selection of merchandise. (unique window display)*
 3. *Exude a contagious air of excitement, energy, and "electricity." (Apple Stores)*
 4. *Create a synergistic convergence of atmosphere, store design, and merchandise that results in a special place for customers.*
 5. *Provide an authentic values-driven experience (Starbucks)*
 6. *Provide a price-value model that customers understand and support. (Apple)*
 7. *Maintain a friendly, welcoming store that gives customers a reason to return. (Decathlon)*

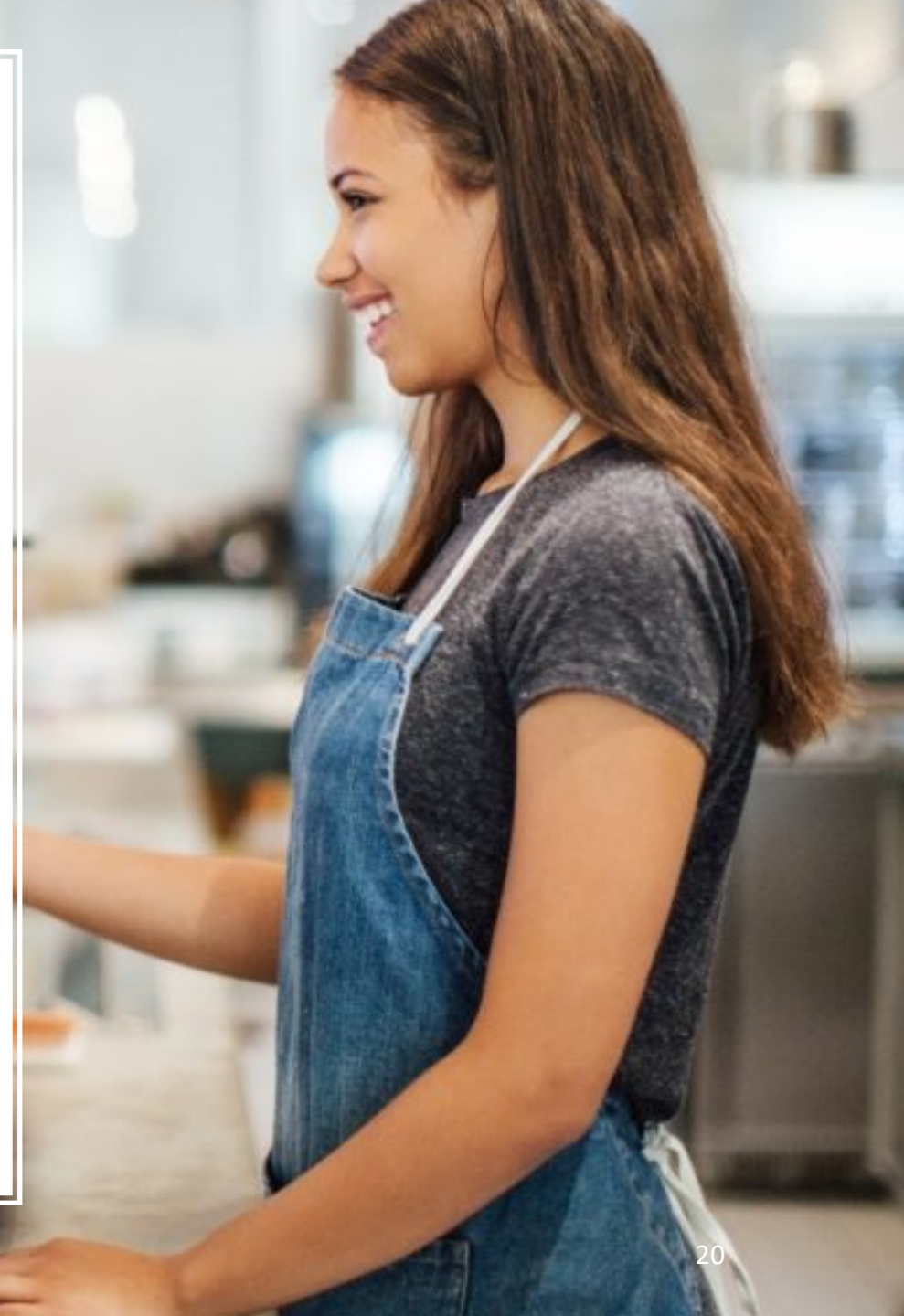
5. Build a community with customers

- Some of the most successful companies interact with their customers regularly, intentionally, and purposefully to create meaningful, lasting relationships with them.
- **EXAMPLE:** Etsy, an e-commerce Web site that offers handmade or vintage items and art and craft supplies, has fueled growth by connecting its customers into communities referred to as “teams.” Etsy has teams that include artists with a common interest (one team of almost 400 is focused on painting miniatures), customers from a common city (the Little Rock, Arkansas, team has more than 400 members), or teams that cross interests and locations (fashion designers in Miami, Florida). The teams help each other promote their goods and expand their offerings sold through the Etsy Web site.
- Company Web sites and social media also are important tools for building a community with customers.



6. Connect with customers on an emotional level

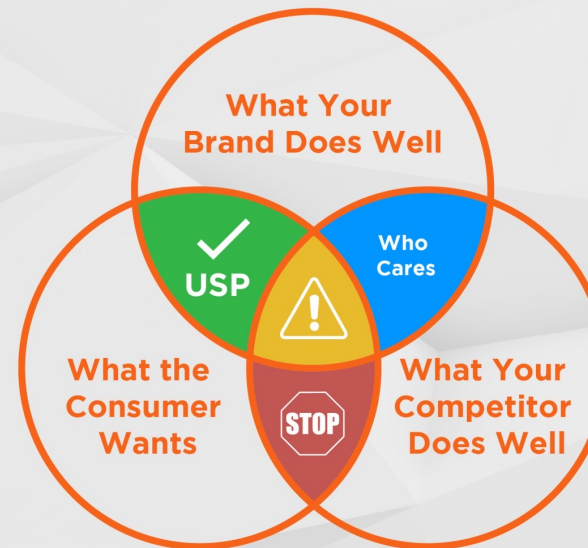
- Companies connect with their customers emotionally by providing:
 - captivating products,
 - supporting causes that are important to their customer base,
 - taking exceptional care of their customers,
 - surpassing customers' expectations in quality and service,
 - making doing business with them a fun and enjoyable experience.
- Building and nurturing an ongoing relationship with customers establishes a relationship of trust, a vital component of every marketing effort.
- The goal is not only to create lifelong, loyal customers but also to transform customers into passionate brand advocates, people who promote a company's products or services to friends, family members, and others.
- One important aspect of connecting with customers is defining the company's **unique selling proposition (USP)**, a key customer benefit of a product or service that sets it apart from its competition. To be effective, a USP must actually *be* unique—something the competition does not (or can- not) provide—as well as compelling enough to encourage customers to buy.



- A key customer benefit of a product or service that sets it apart from its competition.
- Answers key customer question: **“What’s in it for me?”**
- A USP should express in no more than 10 words what a business can do for its customers.
- Consider intangible or psychological benefits as well as tangible ones.
- Communicate your USP to your customers often.



UNIQUE SELLING PROPOSITION



USP- Winning Zone

When your brand makes exactly what your consumers want.

Losing Zone

If your consumer wants something your competitors do much better than you, you've lost.

Risky

Competitive battle, expensive, and you do not have a clear advantage. Find a way to stand out.

Who cares

If your consumer does not want your goods, who cares?

7. Create an identity for your business through branding.

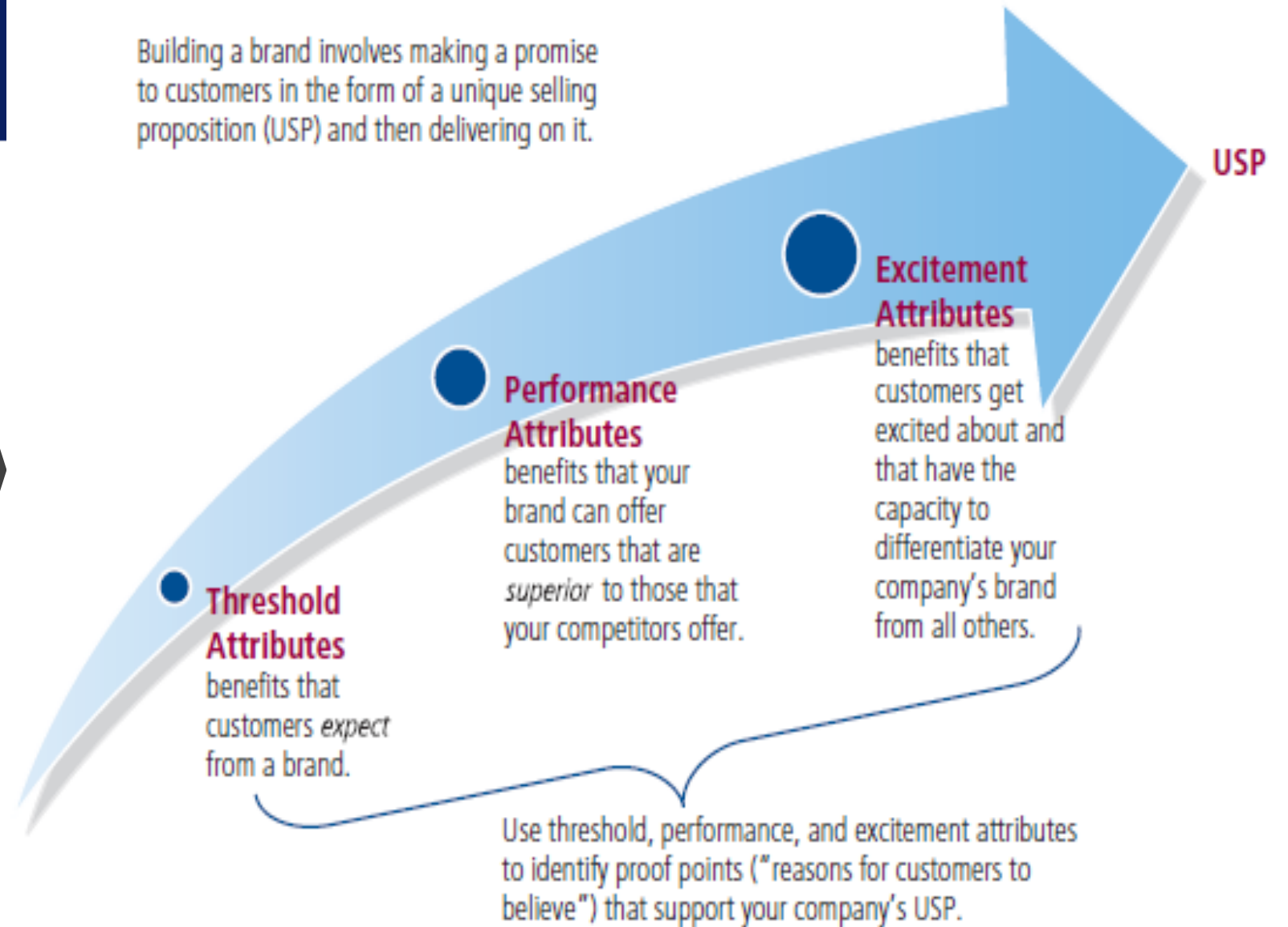
The word "Branding" is written in a large, bold, sans-serif font. Each letter is a different color: 'B' is orange, 'r' is green, 'a' is yellow, 'n' is blue, 'd' is red, 'i' is purple, 'n' is dark grey, and 'g' is green. The letters are slightly overlapping and have a soft shadow effect.

- **Branding:** communicating a USP to the target market in a consistent and integrated manner.
- A large budget is not a prerequisite for building a strong brand, but creating one does take a concerted, well-coordinated effort that connects every touch point a company has with its customers with the company's desired image. A strong brand evokes the company's story in customers' minds
- Companies that build brands successfully benefit from increased customer loyalty, the ability to command higher prices, greater visibility, and increased name recognition.

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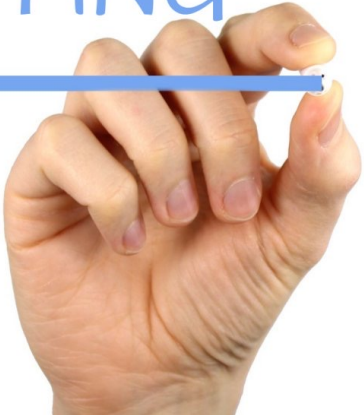
The connection between Branding and a USP

Building a brand involves making a promise to customers in the form of a unique selling proposition (USP) and then delivering on it.



8. Embrace Social Marketing

SOCIAL MEDIA
MARKETING



- Social networks sites, such as Facebook, Instagram, LinkedIn, and Twitter, allow entrepreneurs to connect with potential and existing customers at little or no cost.
- 90% of entrepreneurs use social media to connect with existing and potential customers.

- 28.8 million people in Saudi Arabia use social media i.e. 79.3% of the total population.
- On average, Saudi Arabians spend 7 hours and 20 minutes on the internet.
- The average daily social media usage is 3 hours and 1 minute.
- In 2023, WhatsApp retained its position as the most popular social media platform with 22.33 million users.
- Facebook contributes the highest web traffic referrals (68.49%) in 2023 KSA.

SAUDI ARABIA SOCIAL MEDIA STATISTICS 2023

- <https://www.globalmediainsight.com/blog/saudi-arabia-social-media-statistics/>

10 Popular Social Media Platforms in KSA 2023

Social Media Platforms	Percentage	Users
Whatsapp	83.70%	22.33 Million
Instagram	76.80%	20.49 Million
Snapchat	68.90%	18.38 Million
Twitter	68.70%	18.33 Million
Tiktok	67.60%	18.04 Million
Facebook	66.30%	17.69 Million
Telegram	55.60%	14.83 Million
Facebook Messenger	47.70%	12.73 Million
Pinterest	28.60%	7.63 Million
LinkedIn	25.20%	6.72 Million

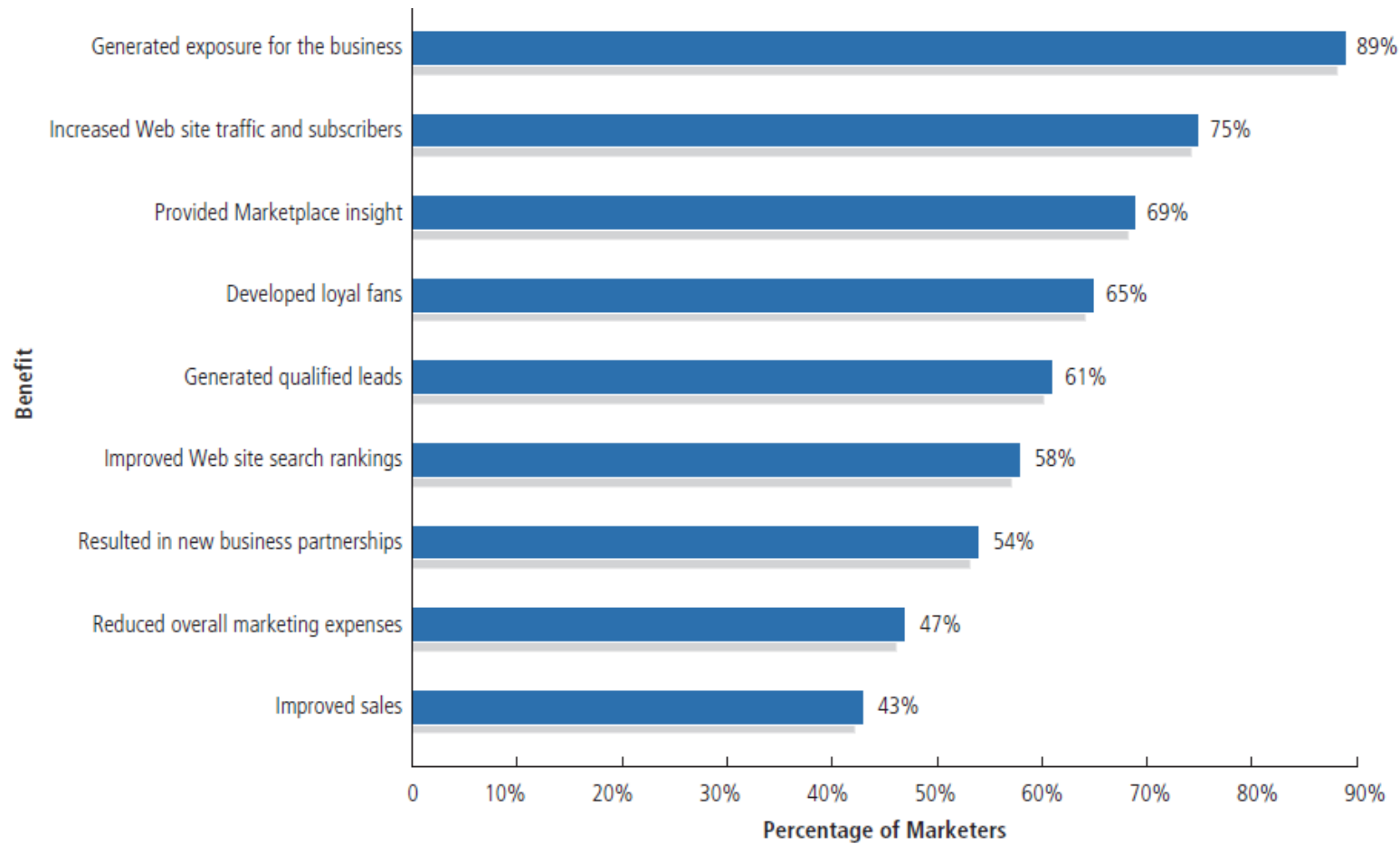
* Percentage of internet users aged 15+ Years who use each platform each month

Web Traffic Referrals from Social Media

Social Media Platforms	Percentage
Facebook	68.49%
Twitter	15.94%
Instagram	7.58%
YouTube	5.32%
Pinterest	2.22%
LinkedIn	0.18%
Reddit	0.16%
Tumblr	0.11%

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Benefits of Social Media Marketing



Embrace social marketing



1. Start a blog

Blogging

- 62% of companies use blogs as part of their marketing strategies.
- 82% of companies that publish blogs on a daily basis say they have acquired a customer through their blogs.
- 57% of companies that publish blogs monthly say they have acquired a customer through their blogs.
- 55% of marketers spent more time than money on blogging, reinforcing blogs as a strong tool for bootstrap marketing.
- It is an economical and effective online communication.

Blog Guidelines

- Be honest, balanced, and interesting.
- Post blog entries consistently so that readers have a reason to return.
- Ask customers for feedback.
- Strive to cultivate the image of an expert or a trusted friend on a topic that is important.
- Use services such as Google Alerts that scan the Web for a company's name and send e-mail alerts when they find posts.
- Be cautious!
- Promote the blog via social media and e-mail.



2. Create online videos



- Video hosting sites such as YouTube give creative entrepreneurs the opportunity to promote their businesses at no cost by creating videos that feature their company's products and services in action.
- Unlike television ads, uploading a video to YouTube costs nothing, and in some cases, the videos reach millions of potential customers.
- Successful online video campaigns don't just educate and inform, they also **entertain and engage customers**.
- Although YouTube is still the most commonly used platform for videos, Facebook, Twitter, and Instagram offer alternative outlets for video content.



3. Host a special event

- Another effective bootstrap marketing strategy is to host a special event that reinforces the company's brand in customers' minds.



HOST AN EVENT



4. Focus on Customer Satisfaction

9. Focus on Customer Satisfaction

- 79% of unhappy customers tell others about their experiences.
- 48% of shoppers say they won't patronize stores where they know others have had negative experiences.
- For every complaint a company receives, 17 other complaints go unspoken.
- Disgruntled customers often post their experiences online.
- Address comments and complaints!

Addressing Comments and Complaints



- Consistently track all social media.
- Respond and take responsibility.
- The customer is always right.
- Never be defensive.
- Keep a database of all complaints and suggestions.

- Examine your company's service cycle.
- Set standards and measure performance.
- See customer complaints as a mechanism for improving customer service.
- Listen to customers.
- Define superior service.



- When you create a negative customer experience, apologize and fix it – fast.
- Empower employees to offer superior service.
- Train employees to deliver superior service.
- Hire the right employees.
- Get top managers' support.



Achieving Stellar Customer Service and Satisfaction



- Treat employees with respect and show them how valuable they are.
- Use technology to provide improved experience.
- View customer service as an investment, not an expense.
- Reward superior service.
- Give customers an unexpected surprise.

10. Retain Existing Customers



- A company must land *12 to 20* new customers to offset the impact of *one* lost loyal customer!
- Research shows that repeat customers spend 67% more than new customers.
- Attracting new customers costs the typical business *seven to nine* times as much as keeping existing customers.

Retain Existing Customers



- Companies that are successful at retaining their customers constantly ask themselves:
 1. What are we doing right?
 2. How can we do that even better?
 3. What have we done wrong?
 4. What can we do in the future?

11. Devotion to Quality

- World-class companies treat quality as a strategic objective, an integral part of company culture.
- **Total Quality Management (TQM)** is the philosophy of producing a high-quality product or service and achieving quality in every aspect of the business and its relationship with the customer; the focus is on continuous improvement in the quality delivered to customers.

11. Devotion to Quality

- **Total Quality Management (TQM):**
 - Quality in the product or service itself.
 - Quality in every aspect of the business and its relationship with the customer.
 - Continuous improvement in quality.
- The key to developing a successful TQM philosophy is seeing the world from the customer's point of view.
- In other words, quality must reflect the needs and wants of the customer.



10. Devotion to Quality

- TQM supports the value proposition of the business model: company must answer the question: How do customers define quality?

11. Devotion to Quality

Customers may define quality in terms of

- **reliability** (average time between failures/ doing what you say you will do),
- **durability** (how long it lasts),
- **ease of use**,
- **a known or trusted brand name**,
- **low price**.
- **tangibles** (equipment, facilities, and people),
- **responsiveness** (promptness in helping customers and in solving problems),
- **assurance and empathy** (conveying a caring attitude)
- ...

12. Make It Easy to Do Business

- Questions to ask:
 - Is your business conveniently located near customers?
 - Are your business hours suitable to your customers?
 - Would customers appreciate pickup and delivery services?
 - Do you make it easy for customers to buy on credit or with credit cards?
 - Do your employees treat customers with courtesy?

12. Make It Easy to Do Business

- Are your employees trained to handle business transactions quickly, efficiently, and politely?
- Does your company offer “extras” that would make customers’ lives easier?
- Can you bundle existing products to make it easier for customers to use them?
- Can you adapt existing products to make them more convenient for customers?
- Does your company handle telephone calls quickly and efficiently?

13. Concentrate on innovation

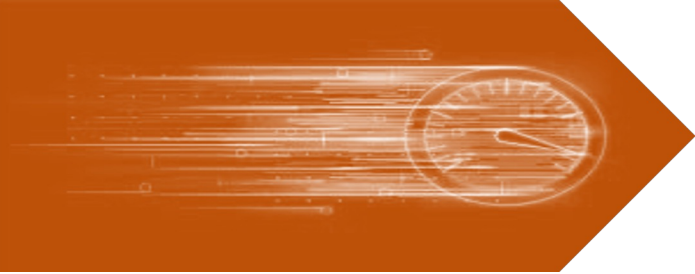


- Innovation is the key to future success.
- Markets change too quickly and competitors move too fast for a small company to stand still and remain competitive.
- Because they cannot outspend their larger rivals, small companies often turn to superior innovation as a way to gain a competitive edge.
- Thanks to their organizational and managerial flexibility, small businesses often can detect and act on new opportunities faster than large companies.
- it shows up in the new products, unique techniques, and unusual marketing approaches they introduce.

14. Emphasis on Speed



- The philosophy of speed is based on time compression management (TCM)
- **Time Compression Management (TCM):** a marketing strategy that relies on three principles: (1) speeding products to market, (2) shortening customer response time in manufacturing and delivery, and (3) reducing the administrative time required to fill an order.



- Re-engineer the process rather than try to do the same thing - only faster.
- Create cross-functional teams of workers and empower them to attack and solve problems.
- Set aggressive goals for production and stick to the schedule.



- Rethink the supply chain.
- Instill speed in the company culture.
- Use technology to find shortcuts wherever possible.
- Put the Internet to work for you.



- **You don't need a large marketing budget to successfully reach your customers!**
- Use clever, innovative bootstrap marketing strategies to put your company in the spotlight and make a special connection with your customers.

thanks for
listening!