

How Has Online Technology Changed Small Business Marketing and Advertising?

Opinions of some marketing experts

Online options not only provide new channels for small businesses to communicate and market their products and services, but also offer the capability to deliver customized, one-to-one messages. Channels such as the Internet and email also provide a vehicle to receive instant feedback from customers, which can be extremely valuable.

In my experiences, there have not been many small businesses that have unlimited marketing budgets. Most of these organizations are held accountable for each and every dollar invested to deliver a measurable return. Key word sponsorships on search engines and online ads are cost-effective and extremely targeted. They offer a "per drink" model where most traditional, broadcast-centric channels require a larger investment and may not yield **qualified leads** because they span a more diverse audience.

Small businesses should first start with developing a compelling Web site, blog, or both. Search engine optimization should also be part of this process. These offer cost-effective tools to communicate your company, products and services, and update customers and prospects on new developments. Adding e-commerce functionality to your Web site also creates a new sales channel open to a global audience.

The Internet has made the world a smaller place, and online options are changing how we reach new audiences. Leveraging these dynamic tools will help you find new customers and retain existing ones more effectively.
—Domenick Cilea, President and Founder, [Springboard Public Relations](http://www.springboardpr.com). <http://www.springboardpr.com>

There are many ways small businesses now can promote their products and services due to the changes in the options available in the online world.

First, businesses can now create the perception of being much larger and more prestigious than they actually are. Producing a high quality website is the first step to increasing a company's image. Using high end graphics, pictures and colors along with compelling and diverse text distinguishes a site from its competitors. Creating prominent relationships and expert status placements with a multitude of online partners will increase a company's credibility and prominence in their genre.

Second, businesses can establish a multitude of storefronts in different online venues, appealing to a broader base of potential clients. Companies can now duplicate their website products and content, easily reaching a global network of customers. Working with destinations such as EBay, Yahoo, and other online malls who provide ongoing exposure and automated order processing from virtually anywhere in the world, possibilities are limitless for new business. Through **affiliate** relationships, products can be sold directly from the manufacturer, eliminating the need for purchasing, warehousing and shipping.

Third, businesses can reach out to their targeted marketplace for little to no cost, due to several new options for promotion that previously didn't exist. Utilizing email, Blog postings, Podcasting, online community forums, co-op advertising options, and other viral marketing strategies, millions of potential buyers can be reached with minimal costs. Creating word or mouth 'buzz' campaigns can bring attention to websites and their products and services in an exponential manner. With the initial costs and effort put in motion, the campaign can multiply and sustain the ongoing exposure necessary for repeat sales without new output of cash on an ongoing basis.
—Anne Leedom, Senior Publicist and Founder, [Net Connect Publicity](http://www.netconnectpublicity.com). www.netconnectpublicity.com

Among astute small companies, we are seeing that they have adapted to the speed of the Web in order to meet heightened expectations. No longer are they putting up static brochure-ware; instead, they are providing content on their Web site that is refreshed regularly, and it has the right balance of product and service data vs. news, white papers, and other information useful to audiences.

Providing the right content also involves consideration of the medium. Small companies are becoming increasingly aware of the need to offer information that is concise enough for the small screens of wireless devices. In other cases these firms are offering information via RSS feeds, podcasts, and **online newsletters** because they know that even if their market is clearly defined, they have to accommodate all the ways in which audiences seek information.

Moreover, the smart small companies know they have to spend their precious marketing money in the right places. Instead of buying trinkets for a [trade show](#) giveaway, more and more they are making sure their sites are optimized for search engines because that's the first place buyers go to get an impression of the company. They also are purchasing key-word advertisements on Google - today's version of the Yellow Pages.

The Web has changed the way that small companies conduct themselves because it demands instantaneous, context-based information. Anything short of that results in an unsatisfied customer or a lost prospect.

—Jeff Ellsworth, Vice President, Sales & Marketing [Siteworx](#). www.siteworx.com

Online options have muddied the waters for small businesses -- especially those with limited budgets. When looking to advertise and market one's business, it is extremely difficult to choose which advertising venue or marketing program to go with, and to understand the metrics as well as the ROI.

When looking at [Internet](#) opportunities, be sure to ask: 1) how much, 2) what do I get for the one-time spot versus multiple spots 3) can I speak with another long term advertiser and 4) how many new business leads can I really expect? You may investigate and find out that traditional advertising, public relations and marketing programs have better ROI, are proven, and almost come with a guarantee. When looking at the Internet, consider internet publicity programs and buzz programs, rather than straight advertising.

—Julia Tanen, Partner, [JTPR/Clarity](#). www.claritygroup.com

The great thing about the Internet is that it allows marketers of all sizes—large and small—to reach the right customer with the right message at the right time. And, because marketing products and services online doesn't require paper or postage, the cost of running an Internet marketing campaign is usually much lower than it is to mail out a catalog or buy an ad in a magazine.

Here are three low-cost Web-based productivity tools that can help you find new customers and keep in touch with the ones you already have:

Constant Contact: Having spent seven years running an email marketing company, I'm pretty picky when it comes to email marketing solutions. That's why I recommend Constant Contact to everyone I know (and why I use it to publish [The Friends of Axxess Newsletter](#)). Not only does it provide easy-to-use templates and a simple way to store and upload your existing customer list, but it also handles bounces and opt-outs and makes sure that you as an email marketer fully comply with industry best practices and the latest government rules and regulations. Best of all, Constant Contact offers a 60-day free trial and an affordable pricing structure based on the number of people on your list. Check it out at www.constantcontact.com.

Survey Monkey: Want to know what your customers think you could be doing better? Just ask them! With Survey Monkey, a do-it-yourself survey program, you don't need to be a market researcher to design a survey to find out your customers' likes, dislikes and demographic profiles. Like Constant Contact, Survey Monkey offers helpful templates; it also gives you the ability to ask multiple-choice, yes-or-no and open-ended questions and updates the results automatically every time someone completes the poll. Once you're done designing your survey, Survey Monkey lets you create a URL to post on your Web site or pop into an [email message](#). The cost is \$19.95 a month though there's a free basic subscription that lets you create surveys with up to 10 questions and 100 responses per survey. Check it out at www.surveymonkey.com

Hitslink: Unlike Constant Contact and Survey Monkey, Hitslink is not a customer retention or market research tool. But I've found it to be an invaluable way to find out what prospective clients are looking for and how we can better target our message. With Hitslink, all you need to do is place a little HTML code on each of your Web pages and the program records each time a Web surfer clicks through to your site and generates a wealth of statistics accessible through easy-to-read charts and graphs. One of my favorite Hitslink reports is the one that tells you what search terms people are typing to find your site on Google, Yahoo and the other search engines. Thanks to Hitslink, we now have pages about "fashion business plans," "restaurant business plans," etc. that have boosted our page rankings in the search engines and brought lots of new clients in the door. Hitslink costs \$19.95 a month and is worth every penny. There's also a 30-day free trial that tracks up to 20,000 hits. Check it out at www.hitslink.com.

—Rosalind Resnick, CEO and Founder of [Axxess Business Consulting](#). www.abcbizhelp.com

The wide variety of options to advertise and market products and services online can be a daunting and complex task for small businesses. With so many choices and people trying to sell the latest and greatest marketing tool to reach new customers, small business owners may not know what will work best and give them the greatest return on their marketing investment. Many business owners have likely thrown away a few marketing dollars to try some pricey online tactics that really didn't help them acquire customers, boost sales or grow their business as anticipated. My first advice for small to mid-size business customers is to make sure you connect whatever online advertising or marketing options you choose to specific business metrics or goals (i.e. increase new sales leads by 10 percent, increase ROI by five percent, add 500 new customers, etc.). By tying your online marketing or advertising campaigns to specific and measurable business goals, business owners can better determine the true effectiveness of their marketing investment, rather than paying money and then crossing their fingers.

In my view, one of the most effective ways to reach new customers online is through paid search advertising, also known as search engine marketing (SEM), on the major search engines like Google, MSN, Yahoo! and Ask.com. With SEM, a company bids on search keywords (anywhere from one or two to sometimes several hundred) that it thinks people will enter on the search engines to find products and services similar to what the company offers. If a specific keyword that the company has bid on for a particular search is entered, a paid ad is listed in ranked order for searchers to click on the link to the company's Web site for more information or to make a purchase.

The early days of paid search campaigns were fairly simple for even the smallest businesses, when placement of your ad was dependent on the price you paid. But now, search engines like Google and MSN weigh different factors. What the marketer is willing to pay is only one of many factors that ultimately will determine the cost for position. These search engines use a dynamic ranking system that weighs both **cost per click** (CPC) and quality, making what a marketer actually will pay per click an unknown factor. These models tend to rank based on a quality scoring model. The theory is that this provides greater relevance when searching. In this opaque model, business owners need guidance from outside experts to help them manage the complexity of the quality scoring rankings and help businesses better manage campaigns. Smaller companies need a solution that is easy to use but based on solid technology that manages keywords as a single portfolio instead of individual keywords. This approach applies mathematical algorithms to model the expected return on all variations of keyword bids and automatically selects the optimal mix to create a reliable and consistent higher rate of return. As a result marketers are able to balance cost versus risk; execute their campaigns in context of budget spend and business objectives; and ensure maximum ROI.

Today, online marketing is about utilizing analytics and formulas to optimize campaigns, making it much more of a science than traditional, offline advertising. No matter what online marketing or advertising tactics that small business owners choose to implement amongst the crowded landscape of options, I advise them to take a hard look at how the tactic can be connected with their business performance goals and ensure that valuable dollars are being spent wisely.

And take a hard look at incorporating some level of SEM into the marketing mix. It will pay off.

—Ellen Siminoff, CEO, [Efficient Frontier](http://www.efrontier.com). www.efrontier.com

Because so much marketing for small business has gone online, very few small businesses now take the time to produce printed materials, thinking that a web site is sufficient. But it's not. You still need to have printed materials -- a sales letter, a brochure or samples in hard copy -- so that when you are actively marketing and cold calling your target market, you have something to send them in the real mail that will land on their desk. Saying "go to my web site" doesn't usually cut it. They won't go, unless they have a pressing need at that moment. You have to do the work of getting something into their hands.

—Ilise Benun, Founder, [Marketing Mentor](http://www.marketing-mentor.com). www.marketing-mentor.com