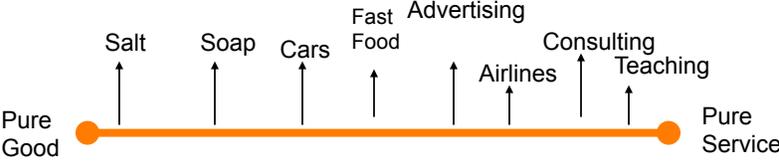


Georgia Association of Business Brokers
January 26, 2016

“There is only one valid definition of business purpose – to create a customer. Companies are not in business to make things ...but to make customers.”

- Peter Drucker



Pure Good Salt Soap Cars Fast Food Advertising Airlines Consulting Teaching Pure Service





Overcome

1. Intangibility
2. Perishability
3. Inseparability
4. Variability



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Lifetime Value of A Customer

Harvard ManageMentor —MARKETING ESSENTIALS TOOLS

Worksheet for Calculating the Lifetime Value of a Customer

Use this worksheet to calculate the Lifetime Value of one of your customers.

Customer name: _____

Basic Formula

Estimate # of customer transactions in lifetime	Number of purchases per visit	Average price per purchase (\$)	Cost to acquire a customer (\$)	Lifetime Value of a Customer (\$)
	X	X	-	=

Projected Formula, 5 Year Period

	Revenue (Include gross revenue generated)		Cost (Calculate costs to service this customer, including marketing, and costs of making and delivering product or service)		Referrals (Add net value of referred accounts)		Profit (\$)
Year 1		-		+		=	
Year 2		-		+		=	
Year 3		-		+		=	
Year 4		-		+		=	
Year 5		-		+		=	
TOTAL:							

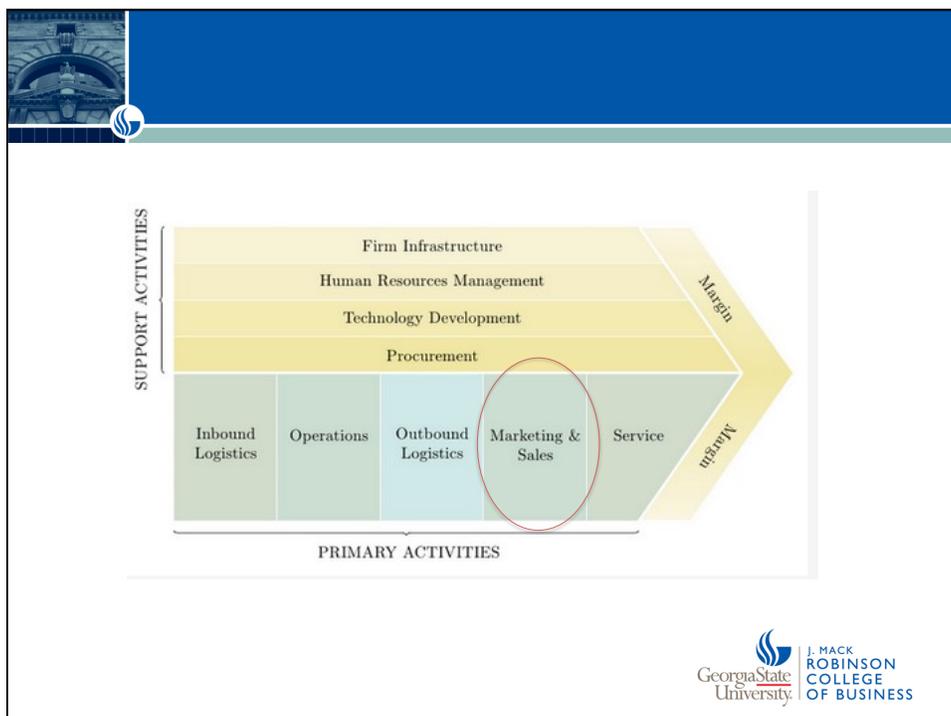
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- > More important to make “sales” in targeted period.
- > “Tangibility” aspects added to intangible services.
- > Must have adequate supplies of service providers available to earn income - competent workers become more valuable.
- > Must strive for consistency in service delivery.
- > Trust must be built among prospects and existing customers at the get-go.
- > It is more important for sales and marketing to work and play well together for service-oriented firms than product-oriented firms.



The Farmers and Cowhands Should Be Friends

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Christopher Lemley
Department of Marketing

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In A Time Before Recorded Time



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With The Outcome Being . . .



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Fast Forward to 1943



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In Oregon Today



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And The Root Cause of This Conflict?

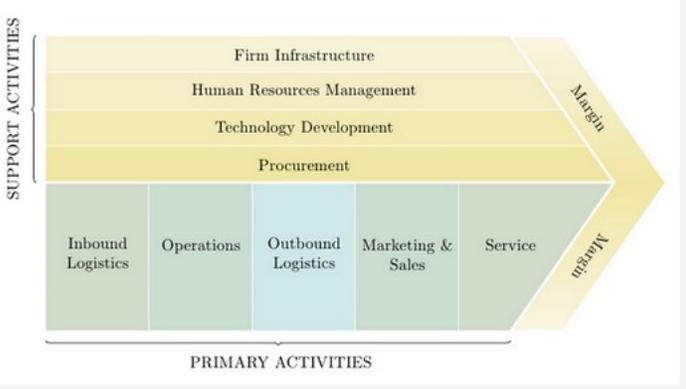
☆
economics

Definition
[See Examples](#)
[Save to Favorites](#)
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The theories, principles, and models that deal with how the market process works. It attempts to explain how wealth is created and distributed in communities, how people allocate resources that are scarce and have many alternative uses, and other such matters that arise in dealing with human wants and their satisfaction.

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The diagram illustrates Porter's Five Forces model. It is structured as a large arrow pointing to the right, representing the flow from activities to margin. The arrow is divided into two main sections: Support Activities and Primary Activities. Support Activities are shown in a yellow-to-orange gradient and include Firm Infrastructure, Human Resources Management, Technology Development, and Procurement. Primary Activities are shown in a green-to-blue gradient and include Inbound Logistics, Operations, Outbound Logistics, Marketing & Sales, and Service. The arrow tapers to a point on the right, labeled 'Margin' at the top and 'Margin' at the bottom.

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Marketing & Sales

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Sales and Marketing Ain't The Same Thing

Temporal Dimension	Short-term	Producer "Just do it!" Asks: "What?"	Administrator "Just organize it!" Asks: "How?"
	Long-term	Entrepreneur "Always one step ahead" Asks: "Why not?"	Integrator "Looking out for the whole" Asks: "Who?"
		Effective	Efficient

Value Dimension

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Sales and Marketing Ain't The Same Thing

Sales

Short-term	Producer "Just do it!" Asks: "What?"	Administrator "Just organize it!" Asks: "How?"	
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Long-term	Effective	Value Dimension	Efficient

<http://open.whyki.com/diers-methodology>

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Sales and Marketing Ain't The Same Thing

Marketing

Short-term	Producer "Just do it!" Asks: "What?"	Administrator "Just organize it!" Asks: "How?"	
Temporal Dimension	Entrepreneur "Always one step ahead" Asks: "Why not?"	Integrator "Looking out for the whole" Asks: "Who?"	
Long-term	Effective	Value Dimension	Efficient

<http://open.whyki.com/diers-methodology>

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A More Practical Concept

Marketing and sales are the strategic tools firms and individuals use to strive to create a sufficient number of transactions so the the firm has the potential to survive and prosper in the short- and long-term.




And The Root Cause of This Conflict?

☆ **economics**

Definition [See Examples](#) [Save to Favorites](#) [Add to Flashcards](#)

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With The Outcome Being . . .



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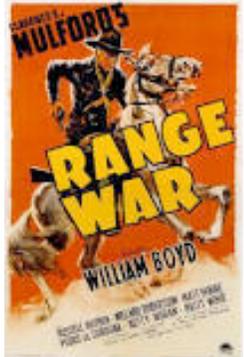
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Oklahoma!

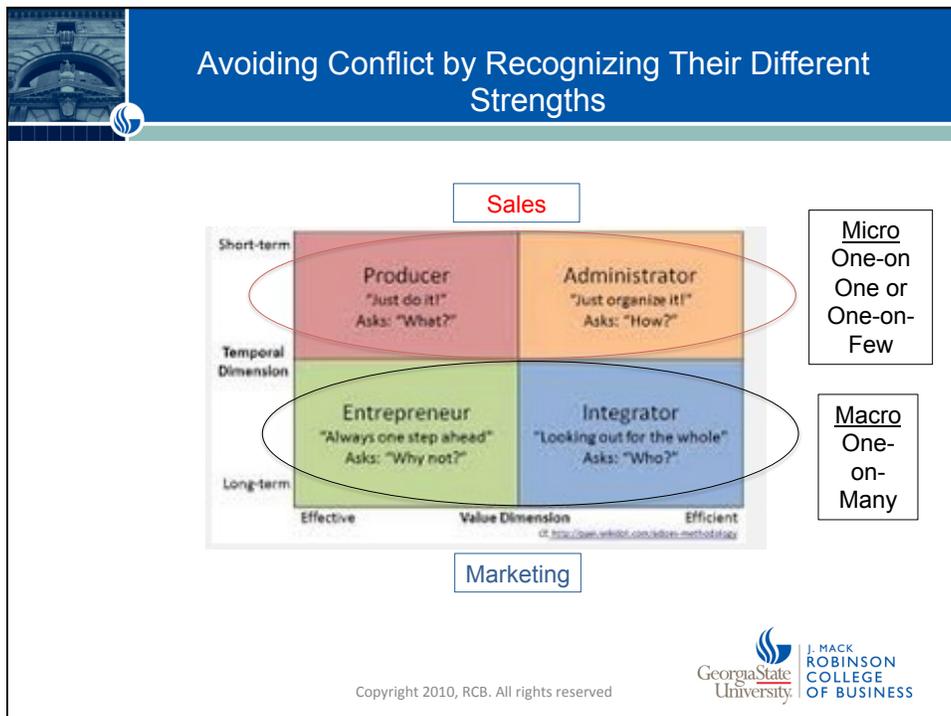
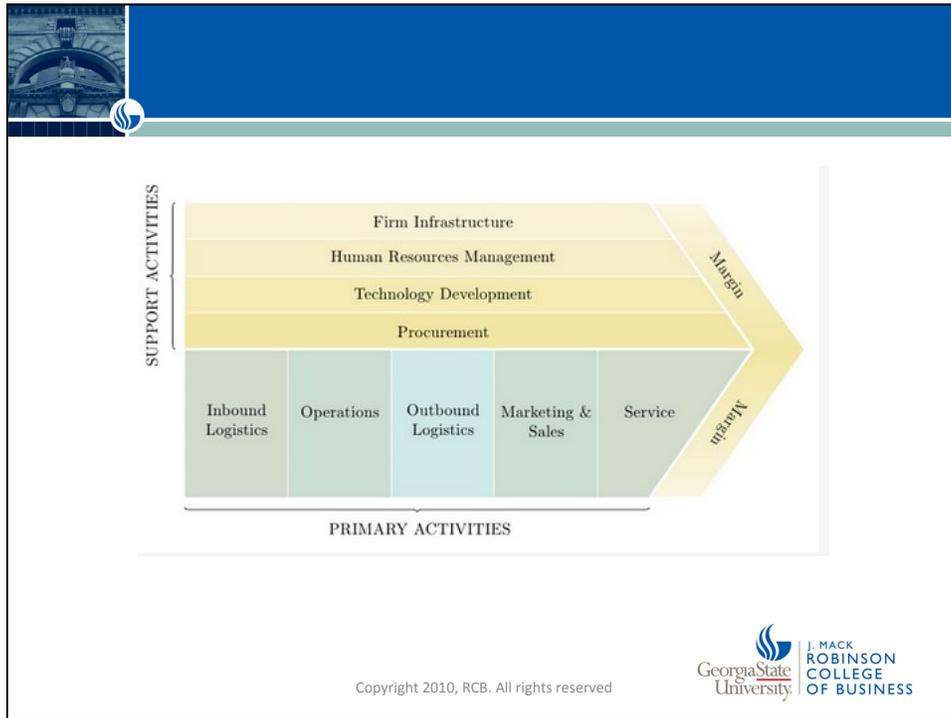
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Georgia State University logo in top left corner.



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Marketing & Sales

Service

Margin

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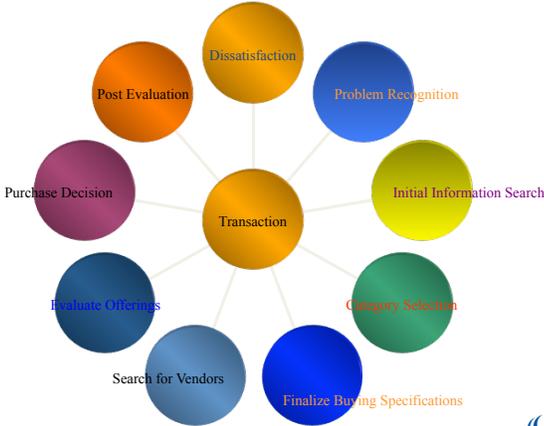


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The Buying Process



Transaction

Problem Recognition

Initial Information Search

Category Selection

Finalize Buying Specifications

Search for Vendors

Evaluate Offerings

Purchase Decision

Post Evaluation

Dissatisfaction



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Harvard ManageMentor — MARKETING ESSENTIALS TOOLS

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Basic Formula

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Projected Formula, 5 Year Period

	Revenue <small>(Include gross revenue generated)</small>	-	Cost <small>(Calculate costs to service this customer, including marketing, and costs of making and delivering product or service)</small>	+	Referrals <small>(Add net value of referred accounts)</small>	=	Profit (\$)
Year 1							
Year 2							
Year 3							
Year 4							
Year 5							
TOTAL:							

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★ marketing plan 🔊

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Product specific, market specific, or company-wide plan that describes activities involved in achieving specific marketing objectives within a set timeframe. A market plan begins with the identification (through market research) of specific customer needs and how the firm intends to fulfill them while generating an acceptable level of return. It generally includes analysis of the current market situation (opportunities and trends) and detailed action programs, budgets, sales forecasts, strategies, and projected (proforma) financial statements.

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☆ sales plan ◀ ▶

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Definition

A plan containing an assessment of current sales for a product in a given region or market, a statement of sales objectives, strategies for achieving the stated sales objectives, and resources available for achieving this goal. A sales plan may also assign particular sales representatives or other staff to particular roles or territories, and may include a breakdown of who will focus improving sales for which product.



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Positioning	Product	Logistics	Price	IMC*	Service
Planning	Attributes	Availability	Base Pricing	Advertising	Disgruntled
Management	Features	Warehousing	Discounts	Publicity	Customers
Segmentation	Benefits	Transport	Rebates	Public Relations	Relations
Affiliations	Component	Channels	Coupons	Sweepstakes	Guarantees
	Packaging	Orders	Allowances	Collateral	Warranty
					Service
					Customer
					Referrals

*Integrated Marketing Communications



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Season	11 All										
F.Month	November			December				January 2012			
F.Week	wk 43	wk 44	wk 45	wk 46	wk 47	wk 48	wk 49	wk 50	wk 51	wk 52	
Days	Sa 11/19 F 11/23	Sa 11/24 F 11/25	Sa 12/1 F 12/3	Sa 12/8 F 12/10	Sa 12/15 F 12/17	Sa 12/22 F 12/24	Sa 12/29 F 1/1	Sa 1/5 F 1/7	Sa 1/12 F 1/14	Sa 1/19 F 1/21	
Banners		11/26 - 11/28 VIP discount		12/10 - 12/16 20% off select styles		12/24 Up to 30% off on selected appliances				01/30 Save up 40% today	
Circular	11/24 Thanksgiving		12/03 - 12/09 wk 45	12/10 - 12/16 wk 46	12/17 - 12/23 wk 47	12/24 - 12/30 Christmas Flyer (1)	12/31 - 01/06 wk 49	01/07 - 01/13 wk 50	01/14 - 01/20 wk 51	01/21 - 01/27 wk 52	
Digital						12/24 - 12/30 Christmas Postcard					
Email			12/03 - 12/09 Email QR Card	12/12 - 12/23 Overnight Ship		12/24 - 12/30 Holiday Email Blast	01/01 New Years Deals 1Day Only		01/14 - 01/20 Email Credit Bday		
social						12/24 - 12/30 Facebook					
social						12/24 - 12/30 Twitter					
TV		11/12 - 11/30 CrossMart TV Spot - Nov 12			12/17 - 12/31 CrossMart TV Spot - Dec 17					01/21 - 01/31 CrossMart TV Spot - Jan 21	
TV						12/24 - 12/30 Great Deals - TV					
Website		11/26 - 12/02 CrossMart.com - Nov 26	12/03 - 12/09 CrossMart.com - Dec 3	12/10 - 12/16 CrossMart.com - Dec 10	12/17 - 12/23 CrossMart.com - Dec 17	12/24 - 12/30 CrossMart.com - Dec 24	12/31 - 01/06 CrossMart.com - Dec 31	01/07 - 01/13 CrossMart.com - Jan 7	01/14 - 01/20 CrossMart.com - Jan 14		
Window		11/26 - 12/16 CrossMart Window - Semi-Annual Sale				12/24 - 12/30 CrossMart Window					




The Simple Strategic Plan for Social Media Marketing



1. Know Your Numbers
2. Identify and Quantify Your Goals
3. Track Performance to Goals
4. Do More of What Works & Less of What Doesn't

Today's Numbers

f t p li g+

Site | traffic | pages | leads

Blog | traffic | pages | leads

Know Your Goals

1. Leads/Sales
2. Engagement (likes, tweets, comments)
3. Opt-in for future contact

Quantify Success

1. 10 warm leads a day
2. 2 shared stories a day
3. 20 subscribers per week

Track Performance by Channel



Likes **UP**
Reach **UP**
Leads **??**

Corollary: If you can't track the goal, figure out how to track the goal, or do something else.

Impressions	CTR	Total Spent
2,283	0.000%	0.00 USD

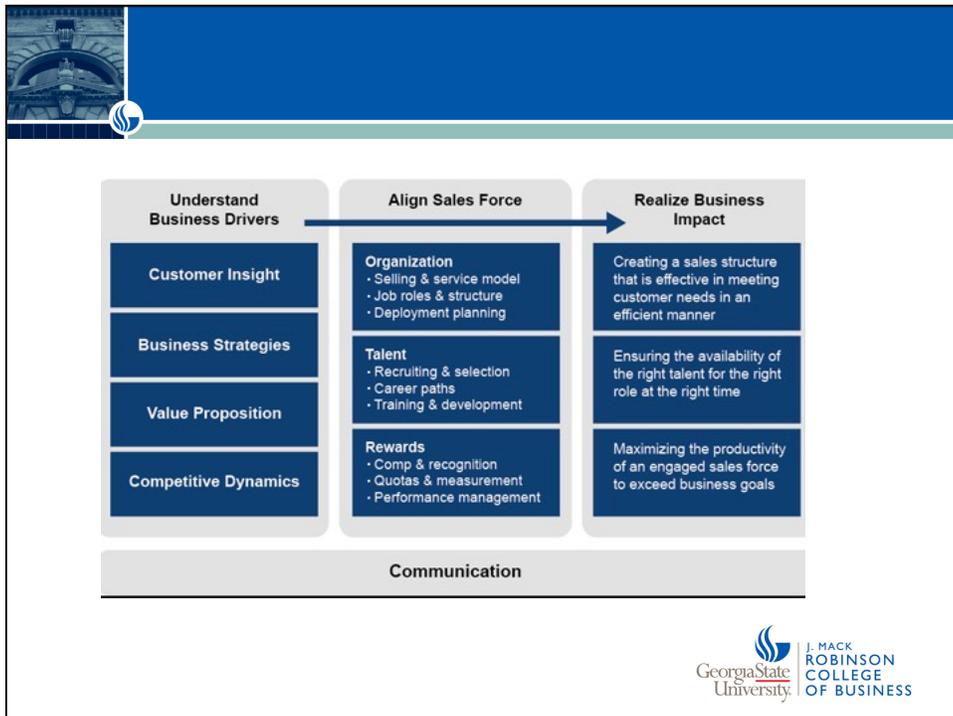
Impressions = 2,283
Leads = 0

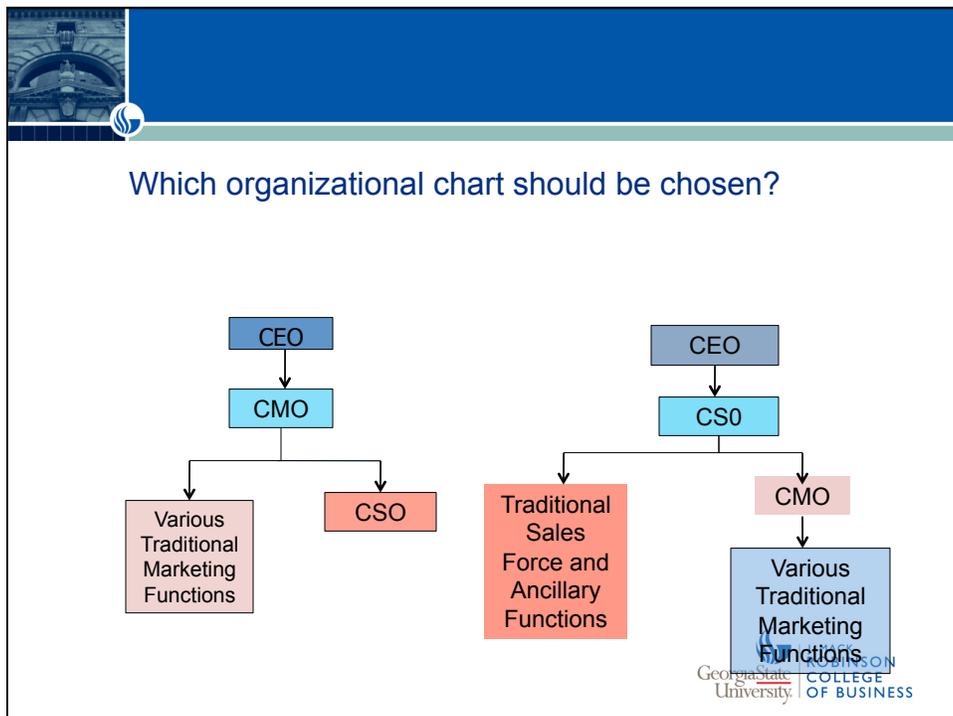
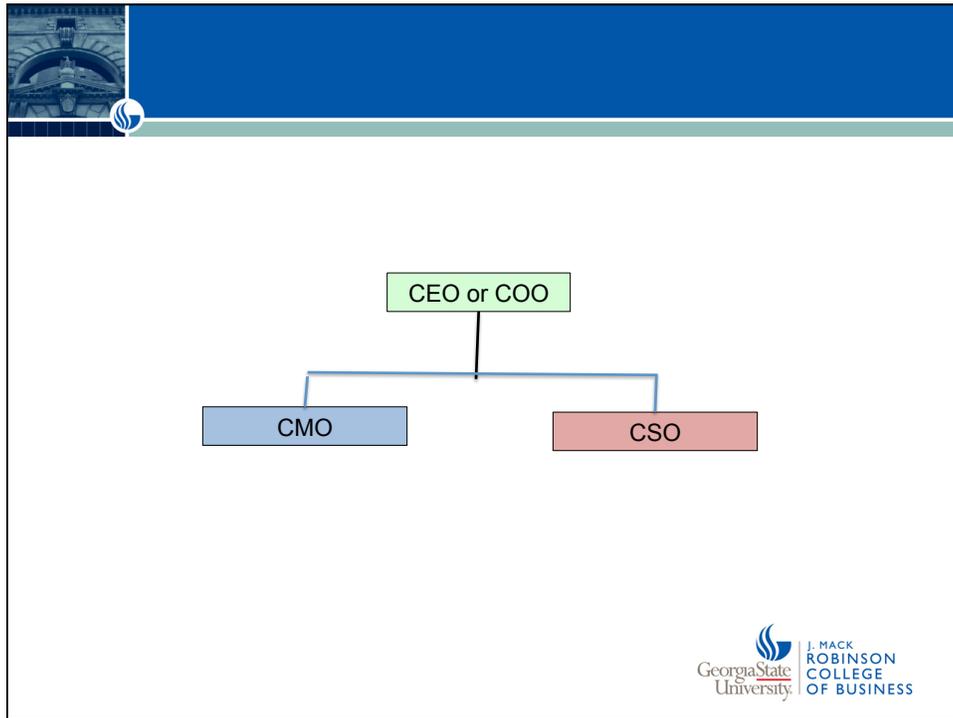
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Creating Your Public Relations Plan

- **Marketing Executive**
 - Understanding of your company's vision, objectives, business priorities, strategies and culture.
 - Understanding of your executive team's PR expectations.
 - Alignment of PR results to business objectives.
- **Public Relations Expert**
 - Understanding of the market environment in which your company operates.
 - Understanding of your competition and anticipating their actions.
 - Knowing your target audiences and what is important to them.
 - Knowing why your target buyers take specific actions.





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