



SUCCESS TACTICS Business Plan? or Marketing Plan? Part 1

How many times have we heard a successful business person say, “If I knew what I know now, I’m not sure I would have started this business!”? We look at this successful person and say, “WHAT?” You have it all, you’ve made it; what the heck are you griping about? The truth is, this successful business person probably made a lot of mistakes, learned from their mistakes, evolved, and became successful in spite of them. This successful business person probably had a lot of tenacity and attended the school of hard knocks. Do you have to attend this school? NO! Today you have trade shows, internet forums, trade magazines, and information to help you minimize that learning curve! Hopefully I can add to your success. Let’s get started!

So you have a laser or you’re thinking of buying a laser and you want to make a business plan. Of course that is a good start, but is that going to make you successful? Well, your business plan will cause you to think, “What am I going to make? How much is the raw material going to cost me? How much am I going to sell it for?” But will that be an honest assessment?

I am convinced you will sell yourself on any new venture that you wish to pursue! Sorry to break the news to you, but I have never heard anyone state the facts about the mindset of a true entrepreneur! If we (I plead guilty) believe we need a machine to make ourselves grow and expand our business, the business plan will be convincing for us to buy that machine!

To tell you the truth, if I want something, I can persuade myself very easily. Heck, I’m willing to bet I am my most influential salesman. I trust me; we would never lie or make false claims to ourselves, right? If you don’t believe me just look at all the expensive exercising equipment I have convinced myself I would use faithfully over the years and I still fill out a Santa suit quite nicely.☺ Point made?

How can I make sure my business plan is not simply a sales pitch I’m giving myself? When I look at someone’s business plan I like to jump to the marketing plan, first. You can actually have the best idea, a great product, low material cost, high retail value, and a good mark up for wholesaling, yet still fail! How?

Failure to have a marketing plan will make you go through that school of hard knocks. If you don’t have the tenacity to try new ideas, your business will then close. I have customers who need to buy a second laser to keep up with production and others who are

still struggling. Does that make one entrepreneur better than the other? Heck no, but what did that other business do differently? What can I do to jump to the head of the class and graduate from the hard knocks school? It is really simple if you have a good product.

Exposure. This is the key word for a marketing plan. How am I going to get exposure for these great products I make? Whether I own a transmission shop, restaurant, or a laser business, I need exposure. I need potential customers to see what we make and how great we are. How do I do this? Where do I start? First let me go back to the business plan.

Your business plan should detail what your (*initial*) ideas are for the service/products you wish to sell. I highlighted “initial” because your business will evolve over time, and your products/service most likely will change.

Once we have the groundwork to start with, then a marketing plan can be put together. Let’s say you plan to make your own product line. I like to use a big white dry erase board and start brainstorming all the ways to make sales (get exposure). This is the beginning to my marketing plan. Right now you don’t care how you plan to do all this marketing, but you want to list all the possibilities, and make sure to allow room for new ideas. Some ideas you may never want to use, but list them anyway. This may percolate a new source from a different angle. The marketing plan should affect your business plan as well. These two go hand in hand. Do you need a store front? Are you going to be a home business? Your marketing plan may help you decide.

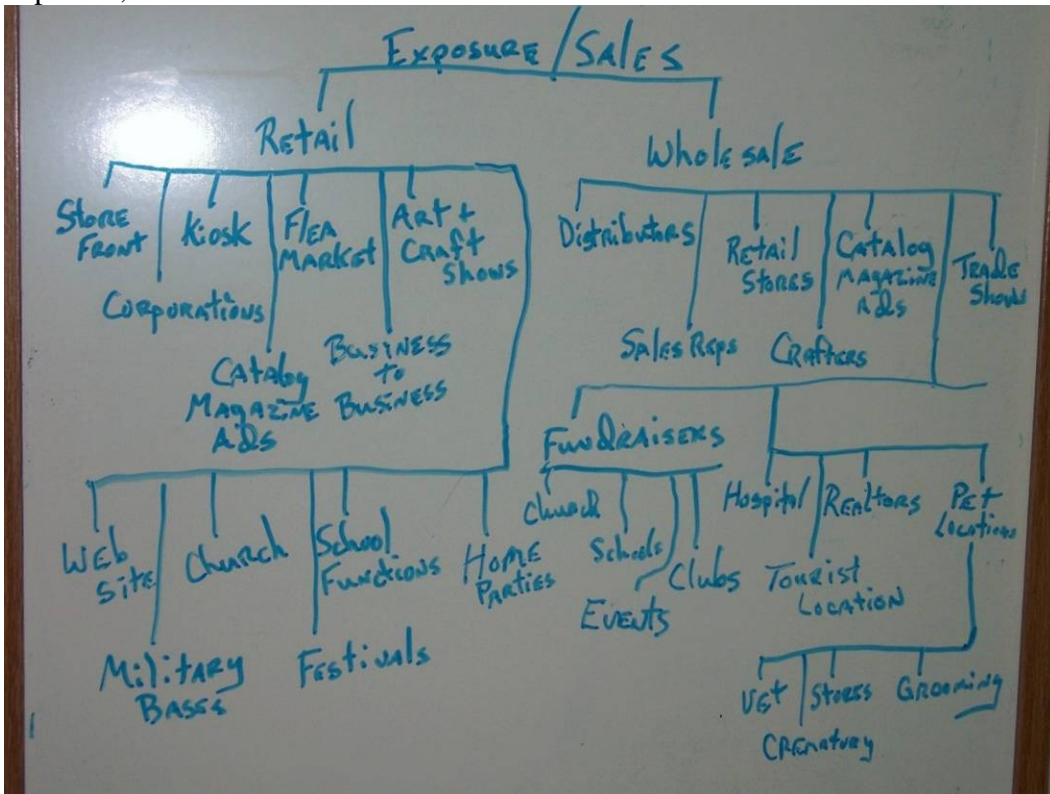
If you already have a store front business and you are adding a laser to the mix, that’s great that you already have some exposure. If you are just starting out and you want to open a store front, please wait and hear me out before you make that final decision. The store front location could conservatively cost you \$2000 a month, for just rent. Phone, heat, insurance, electricity and a whole pile of other costs may be incurred to maintain that location. I dare say a store front location may cost you a minimum of \$30,000 a year. What kind of exposure will you get for that outlay of annual cost? What other options could you have with that sort of money? Don’t forget the many other one-time charges that are included when first opening up a store front. The build-out, signage, permits, and even utility deposit can add up! How about the travel cost (at today’s gas prices) for you to travel to work each day?

Let me put it this way. I will use a pizza shop analogy for a store front retail location. Let’s assume I had a pizza shop and made the best pizza around, and everyone loved my pizza and my great personality.☺ They would travel just to see me and eat my pizza. How big of a geographic area could my pizza shop service? How far would people be willing to travel? Would you travel 20 miles to get a pizza? My point is if you have just a single store front location, your area of sales could be limited, unless you market your products nationwide. The internet does help expand your retail business but does no justice when selling a great looking product that can’t be seen, touched, or admired for its beauty! The bigger your market area the more sales you can make. Could you make a product that could be shipped to an outlet in another state?

Do you think I am trying to sell you on a home-based business? You bet! Can I still do retail without a store front? YES! The more I write I can see that we might need to add several more Newsletters to this topic.

If I started a marketing plan (this should be an evolving document) how would I start?

Go over to your dry erase board and see how many legs you can come up with (Definition: legs are each idea to pursue). Please see the flow chart I have included. Let's start with Exposure/Sales at the top. How many ways can I get exposure? I think the first two legs should be Retail and Wholesale. Then, start brainstorming ideas. If you look at the chart (which is far from complete) it took me less than 5 minutes to come up with these ideas and I have run out of room. The whole time spent doing this exercise has given me a few more product development ideas that could be made using a laser. Many a business will start out with one business plan for products but find they are driven by a niche that brings them more profit. This happens through marketing, exposure, and sales!



Stop; this Newsletter will be too long and I won't have space to give you at least one of my examples for exposure, so I need to jump ahead. I will definitely add more ideas in my next Newsletter. Let's say I have a home business (this will work for a store front business as well) and I wanted to get exposure to build my business. I want to get wholesale accounts.

I will repeat myself again, I hate cold call selling, so this idea is for those individuals who have my personality trait.

I call it “GIVE-TO-GET”. (Day dreaming) Hmmm Buzz’s “GIVE-TO-GET” sales technique book is now out in paperback (anything is possible!).

Back to reality. Military, pets, sports, professions, etc... are just some product themes that will sell nationwide. I will use a military product to explain because of the readily available pictures I have to show you. In the picture you will see products at different price points. The Wall Tributes are 12” in diameter and I have a material cost of \$1.00. I know of several military surplus stores in Georgia. What if I made up 10 of the most desired Wall Tribute designs I know of, such as Marines, Navy, Paratrooper, Army, and so on. Ten (10) Wall Tributes with a total material cost of \$10.00. If I went to a military surplus store and asked to drop off these items to see if they will sell for them (at *no charge*), what are your chances they will accept? Free merchandise to prove it sells is a no-brainer!



Of course let them know the suggested retail price is \$25.00 and the wholesale price is \$12.00. Mention you will be back in two weeks, and if the products sell, will they consider putting in an order? If not, you will retrieve the leftover items and not bother them again.

If only 10 locations end up becoming wholesale accounts, that is still more locations for exposure than your single retail store! Now, concentrate your time on how many different types of locations could or would sell military products (statewide and nationwide). That is just one simple marketing idea. I would certainly give a company a chance at my store if it didn't cost me anything to test the market. Would you? Do you think locations that sell military items could also sell hunting, fishing, even man's best friend (dog) products? Once you land an account, each time you ship an order you should send a "Give-To-Get" new product idea to expand your line with them. If more exposure can cause more sales, I wouldn't want to stop using this concept!

How many wholesale locations could you pick up this way? If you took one month's retail store rent (\$2,000) and asked yourself, "How many "Give-To-Get" packages can I make and how many wholesale locations can I acquire???" What are your chances for success, now?

Even if your "Give-To-Get" packages cost you \$100 each, (maybe providing a display rack) how many accounts would you need before you were too busy to keep up? If your business was set up this way, could you still be making sales while attending the next trade show and seeing my latest seminar? The best business is one that is making sales while you're doing something else! I see success in your future! Go have some fun while I go hit the treadmill.

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