Business Crisis Toolkit: Marketing, Communication, And Sales During the COVID-19 Crisis

Presented by Rich Gannon
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Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.
AGENDA

• Marketing Review
• Communication Basics
• Pivoting to Alternate Sales
  • Solve a customer problem
  • Review your customer segments
  • Become consumer focused
  • Review your human and fixed assets
  • Pivots and other sales options
• Online Store Options
The Top Line Takeaways

Pivot
Communicate Honestly
Preserve Cash

Market
Market
Operations

*see our 3/20/20 webinar on this topic at
http://www.msucommunitydevelopment.org/smallbusiness.html

Remember: Every Decision Made Impacts Financials
Rich Gannon

Rural Business Advisor - Great Falls SBDC

Education
• 1998 -- University of Montana – BS Business Administration
  Management and Marketing

Entrepreneurship
• 2008-present – Front Range Web – Cut Bank, MT

Experience
• 2001-2006 - General Manager, Kuskokwim 300 Race Committee
• 1998-2000 Comptroller, Lower Kuskokwim School District, Bethel, AK
Marketing Review

- Review pre-purchased print, radio, tv or internet ads
- Review for tone and timeliness
- Review pre-written blog or social media posts
- Review re-planned email marketing
  - See Spirit Airlines- as a bad example.
Don’t be Sprit Airlines! Review your preplanned medi

Spirit Airlines sent out this mass email a week ago with the subject; “Never A Better Time To Fly.”

Source; Business Insider
Communication Basics

• Existing Media:
  • Direct, regular, & on-going contact
    • Social media, printed postings, email, or phone calls
    • Remember – your customers may access information different
    • BE TRANSPARENT

• Adjustments to store hours, policies, procedure, inventory, services
  • EX: Billmans True Value Cut Bank - From TP to Phone orders – keeping their customers informed.

• Build your brand long-term by being a good corporate citizen
  • This doesn’t mean you can’t make a profit.
  • EX: Double Barrel Coffee House Café in GF – Giving free sack lunches to kids. Creating tremendous brand recognition and good will.
Communication Basics

• New Media?
  • As your business or revenue model changes
  • What new or different platforms, processes, or procedures should be considered?
    • *EX: Hotels leasing out to hospitals for hospice/recovery care –will be communicating with and marketing toward a whole new customer.*

• Manage Time
  • Pick what is:
    • Most important
    • Most profitable
    • Will have greatest impact
Solve a Customer-Facing Problem

- Who are your existing customers?
  - Who could they be?
- Where are your existing customers?
  - Where could they be?
- What are the problems existing and potential new consumers are facing?

*Having kids full time at home - something new lots of us are facing. What’s the problem? Do you have a solution?*

- **Innovation Equation**: Problem + Solution = Opportunity
Pivoting to Alternate Sales Methods

Review Your Ideal Customer Profiles

• Review customer traits – Who bought from you before COVID-19?
  • Customer type
    • Business to consumer; business to business; business to government
  • Demographics – age, gender, household income
  • Buying behaviors – how people consume products and services are changing
  • Purchase Psychology – Wants vs. Needs
    • Emotional – “I want new shoes.”
    • Rational – “I need toilet paper.”

What adjustments do you need to make to market to a new customer?

EX; Hotel with a campground...now becomes a campground with a hotel. New customer, new source of revenue.
Shift from product focus to consumer focus

• Consumer focused companies are flexible about the product and work to address customer needs and improve customer experience.

• By focusing on customer needs companies can find new ways to solve problems for consumers that may involve completely new products or approaches.

The Farrier Product Focus vs. Consumer Focus – What business would thrive in 1910?

<table>
<thead>
<tr>
<th>Product Focus</th>
<th>Consumer Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>I’m a Farrier – I’m in the business of fixing horse’s shoes.</td>
<td>I’m a Farrier – I’m in the transportation repair business. I fix horse’s shoes &amp; I also repair car tires.</td>
</tr>
</tbody>
</table>
Pivoting to Alternate Sales Methods

Review Human Capital and Assets

• Review your human capital
  • What are their strengths and backgrounds?
  • Is a shift in some workload appropriate?
  • Ex. Can a store clerk who stocked products turn into a delivery driver?

• Review current and fixed assets
  • How else can your inventory be used?
  • Do you have equipment or other assets that can be repurposed to fit another function?
  • Example; Lotion manufacturers and distillers now trying to make and market hand sanitizer.
Consider pivots to create new streams of revenue.

- Consider the oblivious changes like going from a sit down restaurant to delivery.

- Consider not so obvious changes
  - Restaurant? Create a subscription recipe service for a weekly meal.
  - Lumber yard? Offer local delivery for DIYers with time on their hands. Create a kit for families to build a product.

- Leverage Technology
  - Use free meeting platforms to meet with clients
  - Create online payment functionality
Pivoting to Alternate Sales Methods
Add ways for your customers to buy from you and support your business.

• Offer gift cards that will be used at a later day
• Online gift card options - Square or Gift Up
• Don’t feel like going digital? Take gift card orders via phone – just be sure to set up a system to track payments and redemptions.
• Consider selling discounted gift cards, - $100 face value card for $75. – 
  • EX; Cut Bank Creek Brewery
• Start sending digital invoices that customers can pay online – Square or Wave Apps.
• Add prepayment options for future products or services
Pivoting to Alternate Sales Methods

Create clear call to actions and reduce payment friction

• If you don’t ask – you won’t get an answer.

• Create clear call to actions to ask your customers to do something..."buy our gift cards", "subscribe to our YouTube channel”

• Try to reduce payment “Friction”. Make it easier for customers to pay you.
Online Store Options

Three online store options for the DIY-er

- Shopify (https://www.shopify.com) – Built specifically for online stores. $29/month
- Square Space (https://www.squarespace.com/) – $18/month
- Wix (https://www.wix.com/) $23/month
- Both Square Space and Wix offer restaurant packages with online menu and online food ordering options.
- Check out this link for more side by side comparisons of these and other website builders, https://www.websitebuilderexpert.com/website-builders/comparisons/
Conclusion

• People still have money to spend, give them a reason and a method to spend it with you.

• Beyond “survival” mode for your business – take the time to work on something new, always wanted to learn how to do email marketing, or how to create a YouTube channel? Now is the time.
Resources Available

GFDA’s Business Crisis Tool kit: https://growgreatfallsmontana.org/disaster-toolkit/

U.S. Small Business Administration: https://www.sba.gov/

America’s SBDC: https://americassbdc.org/coronavirus-information/

MT Small Business Development Center Network: https://sbdc.mt.gov/

MT Department of Labor & Industry: http://dli.mt.gov/employer-covid-19

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The Last Word

Contact Trusted Advisors

Banker
Accountant
Insurance
Lawyers
Business Advisors
The Last Word

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https://sbdc.mt.gov/

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We want to hear from you

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