

Chapter 1: The Business of Being David

“So David triumphed over the Philistine with a sling and a stone; without a sword in his hand he struck down the Philistine and killed him.” Samuel 17

Everyone loves an underdog. Think about it, who would you rather see win a hopelessly lop-sided contest: the wealthy, talented, famous, highly-trained, well-resourced guy, or the struggling, albeit well-meaning, battler?

The story of the true underdog David defeating the nine-foot tall Philistine Goliath is one that should inspire and give confidence to every small business owner. Nobody expects the little organisation run out of someone’s spare room to even *compete* with the multi-national giants and yet there are thousands of examples of small businesses doing just that.

There are plenty of disadvantages of being the David in this equation: lack of funds, lack of experience, lack of exposure. But there are lots of advantages too: you are working from a small base from where you can only improve, nobody knows you yet so there are no pre-conceived ideas about your products or business, and most of all, you are motivated by working for yourself – and there can be no greater motivation.

You are not struggling away doing long hours so somebody else can get rich. You are putting in the hard yards so that your business can grow, your family can eat and so that you don’t have to work for anyone else ever again.

You might already be a very successful small business owner. You might have hundreds of very satisfied and well-paid employees. Your business might be growing so quickly that you can barely keep up with it.

I’m going to take a punt and say that since you are reading this book, you’re not any of those things.

A slight caveat here: ‘successful’ is a dangerously ambiguous word to use when it comes to business. To be a success in business isn’t necessarily to be turning over a million dollars. That might also mean that you work sixteen hour days, you travel extensively from home and your own family doesn’t recognize you. I know plenty of business people who ‘enjoy’ that kind of ‘success’.

Your business may indeed be a success wholly because it is ‘yours’ and you are sustaining it without having to go into the mainstream workforce and help somebody else make *their* living. But your business needs to grow. It needs a lot more customers, more exposure and yes, more turnover.

This was exactly the position I was in around August of 2008.

I was working for a major travel company in the city which meant I was commuting two hours to work each day, sitting in a six foot square cubicle in a call centre for eight hours, before commuting another two hours home. Every day.

My wife Kelly, pregnant with our first child, was also studying full-time and strangely enough wanted me to be around a bit more on weekdays when our beautiful little bundle arrived.

So I made one of the bravest, yet one of the easiest, decisions I have ever made. I quit.

I started my own travel business which was going to take over the world (well at least Australia) and I started that business with four loyal customers. Talk about being David!

In the first few months, the word of mouth business I received from those four customers was fantastic but in order to grow my business more I had to increase my customer data base. In short, I had to make my small business big – or at least give the impression it was.

My problem, like most small and micro-businesses, was a lack of capital to spend on big budget marketing devices.

Basically I was broke. And unemployed. And about to be a father.

Necessity is the mother of invention they say, so I decided what I had to do was spend a lot more time actually working ON the business than working IN it. And I thought I really had to find out a bit more about this new thing: social media.

I researched. And researched. And asked a lot of people questions. And researched a bit more.

What I found was amazing. A whole new world of online media platforms and social networking applications that seemed to be designed, not just for school kids to keep in touch with each other, but for small businesses to market their products and services to the world – all apparently totally free.

None of it was secret. None of it was very difficult to use and usually the only expense of any of it was time. And to do it well, it required an investment of a lot of time.

But unlike mainstream advertising or conventional marketing techniques, results tended to come very quickly and those results were very motivating.

In the first twelve months of being in business and using no conventional marketing or advertising at all, my first business grew and grew. More than 80% of new clients in that first twelve months came directly from contacts who I had found, or who had found me, through social media channels. More than 80% of new business coming without any financial outlay whatsoever?

After this initial success, I started a second business and marketed it in exactly the same way. And then a third.

All of a sudden I was an entrepreneur! I had three viable and profitable businesses and I was running all of them from our spare room with the ironing board set up next to my desk.

Around this time, I started doing keynote speaking as another sideline business. I was delivering presentations to professional organizations, high school

groups, even my ex-employer on how to grow a new business using social media marketing.

As a result of this speaking, I met a great small business expert, author and professional speaker, Andrew Griffiths, who suggested I put together a book based on my speaking topics.

I had never written a book but then again I had never owned my own business eighteen months before that so I thought why not?

One of my main motivations in all of it was that I would be able to share with other people just how effective and relatively easy social media marketing was to get a good handle on, and how much money it could save young and usually struggling small businesses.

This book is the result.

There are many case studies, online resources and action plans in this book that you can tailor to your own business to back up the strategies I am going to give you – and once you have these tools you can keep them forever and refer back to this book to see how your new marketing strategies are working.

I have designed the book with ease of use for a small business owner in mind. We are all busy, we are all trying to do everything at once, so my advice is just read a bit at a time, check out the online resources at the end of each section, and complete the action plans so you can keep a record of what you have tried and how it has helped your business.

It is equally important to keep a record of what *didn't* work for your business. I have been nice enough to try many things that didn't work already so you can benefit from my failures. I am just that kind of guy.

Remember, not all of our businesses are the same. What works for a retail boutique owner won't necessarily work for a printing business. However, all of our *challenges* are basically the same. We all need to build our customer base, we all need to have a better profile in the community and we all need to pay our bills while still maintaining our work-life balance.

With two-thirds of the global internet population using social networks on a regular basis, there's a good chance that your audience is already well aware of social media. Do they know about your business yet?

This book will help you connect better with all of your customers – current and potential, and in most cases without spending one extra cent.

I know that sounds too good to be true. The thing is, I am not selling anything to you here. There is no reason to embellish my success to you. You can try any of these things as I did, and if you don't have the same level of success that I have had, then you will have lost nothing.

After reading the book, you will see that all of these strategies are simple but effective and they have all helped me grow my businesses into very successful ones.

I am not yet Goliath but I am certainly not David anymore either, and I am sure I can help your business grow without you having to outlay a fortune along the way.

Chapter 2: The 5 Rules of Social Media Marketing

“The real voyage of discovery consists not in seeking new landscapes, but in seeing with new eyes.” Marcel Proust

You can do everything that I write about in this book. You could spend hours and hours every week updating your Twitter page, sending out email newsletters, making your Facebook page the most spectacular one on the net – but if you don’t know what the return on that investment is, then you might as well have done nothing at all.

You need a plan and you need to keep five very important things in mind while you are doing it – my five rules of social media marketing: Listen, Integrate, Engage, Promote, Measure.

Listen

If you were having a conversation in real life and someone just busted in and started banging on about their own interests and what they did for a living you wouldn’t be too impressed. It is no different with a conversation happening via social networking.

Actually in the long run listening in the initial stage of social networking is also going to save you a lot of time and effort as well.

If you own a steakhouse, there is probably little gain for you in interacting with someone who is well known as a vegetarian. (This isn’t always true of course – even vegetarians have friends!)

You have to first listen to people, see what social networks and conversations they engage in and who with, and also try to gauge their level of social activity – do they have thousands of followers, are they saying insightful things, are they a generally positive person for you to interact, and be aligned with?

As well as listening to individuals, listen to the wider online community as well. Is your product or service being talked about, and if so, is the conversation positive or negative? Which social networking platforms discuss your type of business the most and who are the movers and shakers in that community?

Search platforms like Facebook and Twitter for your own name and business if that’s appropriate as well as your market, the competition, relevant keywords to your business and market as well as potential customers.

Social networking platforms are already set up to help you do this. Twitter Search, for example, makes this kind of market research very easy. Let’s say you run

a fast-food restaurant. Chances are the bigger players in your market are being spoken about – both good and bad – all the time in social media platforms.

By listening to this chatter, you can get a better idea of how the social media participants view the big names and their service, as well as the type of things that these people would rather those big names did better. This is fundamental focus group marketing but without the huge cost.

The best thing about this kind of search facility is that you can customise it to search for chatter only from your local area or about your own service.

There is a great example of this in a Domino's Pizza franchisee in Chicago, USA, who has become the master of monitoring social media mentions of his product in his local area.

Ramon de Leon owns several Domino's Pizza restaurants in the Chicago area. He discovered back in 2005, that in social networking platforms, he had a new line of communication directly to his target audience and with virtually no advertising cost to his franchises.

Ramon uses both Facebook and Twitter to boost his businesses' profile as well as doing something that would have been considered crazy in the past: openly apologising when he or his staff get it wrong.

Ramon watches platforms like Twitter closely through their search facilities and when he sees that somebody has been unhappy with the service from one of his restaurants and mentions their unhappiness on one of their social media sites, he immediately and quite openly apologises for the mistake and also offers a big discount or free pizzas to the unhappy customer. And he does all of this in clear view and very much out in the open on Twitter and Facebook.

Armed with a smart phone that has a decent video camera in it, Ramon records a quick video apology mentioning the unhappy customer and complete details of their complaint and what he is going to do to make it right. He then uploads this video not only to his website but also his social media channels and as a direct message to the complainant.

This kind of customer service, in both its immediacy and directness, is something conventional marketing and customer service could never achieve. It's not really the same as a tiny apology printed in the local newspaper two weeks later is it?

One thing I suggest you don't do when monitoring this chatter is jump in everytime there is something negative said about your competition and try to grab that business for yourself.

For instance, I track what is being said about the big players in retail travel, companies like Flight Centre, QANTAS, CoverMore Insurance and so on.

Sometimes social media participants might express why they are unhappy with something that one of these companies has done to them. It is tempting to reply directly to that person and agreeing that said company is totally rubbish and next time you should book your travel with me!

But it looks really bad.

In fact, it looks like something that the bigger players in each market might do. As a small business owner with integrity and professionalism, I hope that nobody does their marketing this way.

Instead, I might say to them that I understand their frustration and ask if there is anything I can do to try and fix the situation with the company they are unhappy with.

By offering to be a go-between for the unhappy customer you can achieve two things: the bigger company will respect you for not trying to poach their customer as well as trying to help their own business, and the unhappy customer will remember what you have done for them *next time* they want the same service.

There is no better way to get to know your customer than to first listen to them, and no quicker way to alienate them than NOT listening to them.

Social media marketing makes this interaction with your market so much easier, but despite this ease, it is still something that most of us are very poor at.

Integrate

By this I mean make social media a part of your overall marketing strategy. Even though I am obviously a huge advocate of using these platforms in your marketing effort, I also believe you shouldn't put all of your eggs in one basket.

Whether it's simple things like including your Twitter username or Facebook page address on your business cards or more involved strategies like viral competitions or having complimenting campaigns running both on social networking platforms and mainstream media like TV, seamless integration is the key to a solid and successful social media strategy.

Probably the most basic way to integrate your online marketing effort is to present everything you do in a uniform way: the same image and logo on every social networking platform, the same font on your emails and web presences, even the same writing style in everything you produce online.

Just on the subject of graphics, if you are going to set up Twitter accounts or Facebook pages that represent your business at the corporate level then always use an image or logo that is representative of your business.

If you are going to set up separate accounts for yourself or other employees then they should be done with some individuality and human element included – right down to a clear head shot or other image that best represents the person who will be making the updates to that account.

And don't be afraid to be a bit different. The image of me that I use on all of my blog posts, social networking profiles and websites is one of me in a floppy straw hat that was taken by my wife when we were on holidays in the Philippines.

To be honest, I look dopey and quite unprofessional in it.

But it's also one of the things that I am most known for in the online world and people often say to me when they meet me in person, "hey you're the guy with the hat". It is always a talking point to people and frankly for the amount of business that picture alone has brought me, I am happy to look like a goof off in it.

When researching this subject in my own social media channels, 92% of people surveyed said they trusted an account with someone's face on it, regardless of the content they were promoting, compared to an account with either a logo or generic photo. That's pretty compelling.

Engage

Immerse yourself into the networks you think best suit your business and contain the majority of your target audience. Engage with people, not just on a commercial level but also on a personal one. Include some human element to your online ponderings (without giving too much away) and you will find that people will not only engage with you more, but also trust you more.

There was a recent study conducted nationally that showed less than 14% of people trusted ads, but more than 76% of people trusted personal recommendations. Therefore it goes that if your clients come to see you more as a friend, then they will be far more likely to use your products or services, or at least endorse them to their other friends.

Engaging in these platforms and conversations is also the only way you will be able to grow your following and in turn, your business.

People often express their dissatisfaction with Twitter because they start an account, use a personalised image like I tell them to, have an interesting and relevant background to their Twitter homepage but nobody talks to them on it. These people usually give it up as a waste of time a week later.

Well of course it's a waste of time. If you go to a party and stand in the corner not listening to anyone and not talking to anyone it would be the same result: "That party was terrible."

When I tell those same people to follow about twenty of the most influential people in their industry and occasionally re-tweet what those people are saying or better yet comment on it as well as re-tweeting it, a week later they are all a lot more interested in the platform. Their own following grows and people start to interact with them as well.

It's really not that difficult but it's a fundamental mistake that a lot of people make and not just with Twitter.

You need to engage with people and more importantly have them engage with you. Add some value to their own social networking experience and they will reward you by referring and recommending you to their own database as well.

Without that engagement, you will be the one at the party looking sad and lonely sipping your drink in the corner while everyone else is laughing and dancing.

Promote

Online promotion might seem an obvious application of social media but it never ceases to amaze me how many people get this fundamental component wrong, and Twitter is the main culprit for this.

Every minute of every day on the main timeline on Twitter you will see people doing shameless self-promotion of their business or service while offering nothing in return. Now this is fine if the product or service you offer is a 100% unique and really compelling one, but if you work in an overly-crowded market like I do, this is a sure way to put you on the wrong side of Twitterers.

If you follow me on Twitter (www.twitter.com/nickbowditch) you will know that I occasionally have tweets go out about a particular sale or special offer – something that could be considered self-promoting. If you are a follower of mine, you will also know that the great majority of stuff that I promote on Twitter is actually other peoples' stuff or information and articles that are pertinent to my business markets rather than my own products and services.

Regardless of the social networking platform, it is important that you are a good online citizen. It's important that you are seen as someone who is generous and supportive of other members' content and interests, not just someone who goes the hard sell at every opportunity.

Having said that, social media marketing can be a very effective tool for promotion of your business or yourself, but there are several things you have to keep in mind when using the medium for promotion.

People want to feel engaged. They want to know that their investment of time in these platforms isn't all for nothing. They have to feel that some value has been added to their online experience, not just that they were bored or just being sold to the whole time. As I mentioned before, it's easy to engage people initially in these conversations but a lot more difficult to retain them for the long haul.

People want to feel important. The growth of blogging and social networking has been due in large part to people wanting to have their voice heard. Blogging was once the ultimate medium for crazy people to have a rant about their conspiracy theories or people to tell you about the secret life of their cats, but these days it has a lot more credibility and more and more legitimately interesting blogs are emerging. If you help someone promote their own content, it makes them feel good, it makes them much more interested in your own content, and it also has the bonus product of making you a better online citizen.

People want to feel like they are being listened to. If someone has told you already that they are not interested in a particular product or service that you offer, don't keep promoting it to them. It sounds so simple and yet so many people do it, including a lot of the bigger players.

A telecommunications company sends me information almost every week about deals on international phonecalls. Not only am I not a customer of theirs anyway, but I have told them on three separate occasions that I am very happy with the service of my current provider, and anyway I use Skype for most international calls. Three times I have told them this and they keep sending me their spiel.

They couldn't have made me less interested in ever engaging their services if they tried.

Measure

This is the last rule but also the single most important.

If you were going to spend thousands of dollars on a print advertising campaign or a series of radio spots, you would almost certainly ask people whether they came to you as a direct result of that advertising or not. You would want to ensure your return on investment was worth the outlay in the first place.

Unfortunately, most people who engage in social media marketing, have nothing in place to monitor the success or failure of those campaigns. This is for two reasons: either they don't value the promotions done through social media because the cost factor is so minimal in comparison to mainstream advertising campaigns, or they just don't know how to.

One of the most simple things often overlooked by people starting out in social media marketing is asking people where they have come to your business from.

Most businesses have some sort of survey in place, whether formal or informal, where they ask new business how they found them in the marketplace. But most of the businesses I surveyed in doing the research for this book did no follow up of new business from social media, had not interacted directly with anyone who had come to them through social networking sites, and very few had added these new clients to their database on any of those sites.

Every one of them, however, wanted to know how they could measure their social media marketing better.

Social media platforms have a lot of these kind of metrics already built in to their systems. Facebook pages, for instance, have quite sophisticated tracking called 'Insights' included in the back end of the page.

You can get reports on not only how many fans you have currently on the page but also what percentage of them are male or female, how old they are, what countries or even towns and cities they come from, what languages they speak, even down to which posts they enjoyed and which they didn't by showing you when people added or removed themselves as fans in relation to when you posted a particular article or update.

Could conventional marketing give you that kind of indepth and immediate knowledge of your customer base?

Given that kind of information you can then design your posts and your page differently to appeal to each of your most common demographics. If females from your local area are interested in and interacting with certain posts or updates on particular days and at particular times, then you know you should do more with them at that particular moment.

Likewise, if something you are doing is resulting in a number of people removing themselves from your page, then obviously stop doing it!

I think one of the most important things you should do with all of this measuring data is set goals with it. Use it as a substitute for performance review tools or the dreaded Key Performance Indicators (KPI) of the old days.

For instance, aim to make five new posts to your Facebook page this week, to get 15 more fans this week and have 10 more interactions from your fans this week. Whatever the goal, it should be slightly more than what you believe is attainable and should change each week.

There is nothing more motivating than watching your business grow and if this kind of data is available to give you an insight into specific things that are helping that to happen, why wouldn't you be interested in it? It's a free hit.