

ENTREPRENEURIAL MARKETING

PAUL J. WERNER


MICHIGAN STATE
UNIVERSITY

Extension

WELCOME TO ENTREPRENEURIAL MARKETING

CONNECTING ENTREPRENEURIAL
COMMUNITIES

EAST TAWAS, MI
OCTOBER 8, 2014



**"AND
JUSTICE
FOR ALL"**

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Form AD-475A (Revised 3-98)

INTRODUCTION TO ENTREPRENEURIAL MARKETING

- *Marketing Mathematics
- *Anatomy of Advertisements
- *Badvertising
- *Websites / SEO
- *Social Media
- *Marketing Metrics
- *Conclusion

MARKETING QUESTION

*Is Advertising
Expensive?

It's
time to
Unwind

Come to the Ho-Chunk Hotel in Wisconsin Dells and experience your romantic getaway with that special someone. Each of our corner sweets represents our commitment to providing special moments for every guest. We look forward to sharing a memorable experience with you. Reserve your suite today and capture your moment tomorrow.

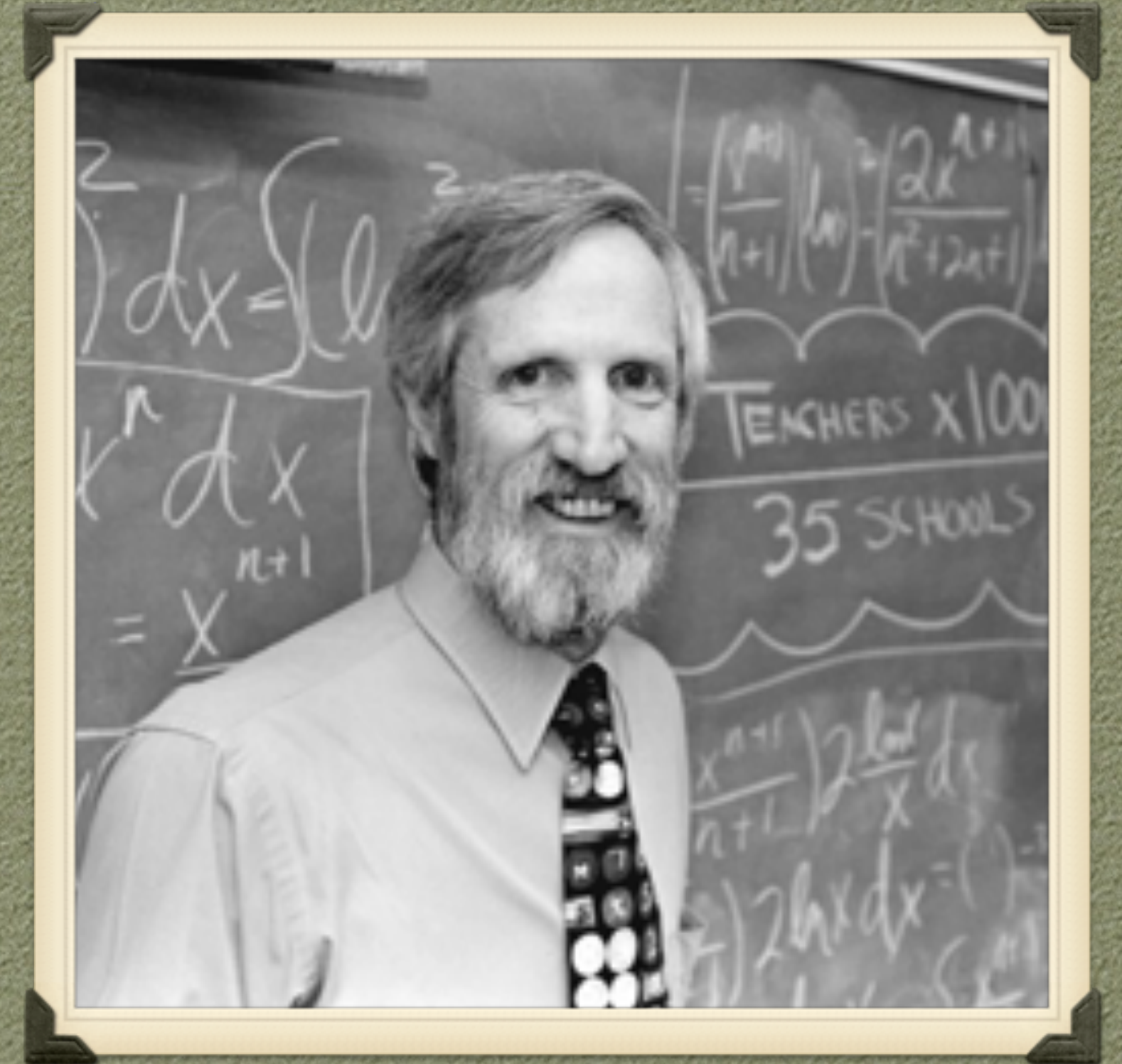
When's Your Next
Copper Oak Moment?


Copper Oak
Steakhouse & Lounge

800.746-2486 | www.ho-chunk.com

MARKETING MATHEMATICS

- *Measure Results using Typical Gross Margin
- *Results Measured by Incremental Sales
- *ROI = Incremental Contributions to Gross Margin



GROSS MARGIN EXAMPLE

*Hammer: Sell \$30 *Revenue: \$30

*Hammer: Cost \$20 *COGS: \$20

*Hammer: Profit \$10 * Gross Profit: \$10

INCREMENTAL SALES

*Advertising Expense: \$1,000

*How Many Incremental Hammer Sales to Break Even?

*Ad Expense / Gross Profit =
Incremental Sales for BEP

*1000 / 10 = 100 Incremental Hammer Sales to Break Even

*Revenue: \$30

*COGS: \$20

*Gross Profit: \$10

ADVERTISING ROI: GROSS MARGIN

*Calculate Gross Margin

*Revenue: \$30

*Gross Profit / Revenue

*COGS: \$20

*Gross Profit: \$10

* $10 / 30 = .33$ (33%)

ADVERTISING ROI WITH INCREMENTAL SALES

***Cost of Advertisement / Gross
Margin = Incremental Sales Needed**

***\$1,000 / .33 = \$3,030**

***Gross Profit: \$10**

***Revenue: \$30**

***Gross Margin: 33%**

CALCULATING ROI USING GROSS MARGIN

| | 2,011 | 2,012 | 2013 |
|------------------|----------------|----------------|----------------|
| Revenue | 378,201 | 411,642 | 411,798 |
| C.O.G.S. | 189,101 | 205,821 | 205,899 |
| Gross Profit | 189,101 | 205,821 | 205,899 |
| Expenses | | | |
| garbage | 600 | 600 | 600 |
| utilities | 6,000 | 6,000 | 6,000 |
| postage | 600 | 600 | 600 |
| delivery charges | 1,200 | 1,200 | 1,200 |
| supplies | 1,200 | 1,200 | 1,200 |
| legal/accounting | 240 | 240 | 240 |
| property taxes | 6,000 | 6,000 | 6,000 |

$$\frac{205,899}{411,798} = 50\%$$

Advertising Expense: \$5,000

CALCULATING ADVERTISING ROI

| | 2,011 | 2,012 | 2013 |
|---------------------|----------------|----------------|----------------|
| Revenue | 378,201 | 411,642 | 411,798 |
| C.O.G.S. | 189,101 | 205,821 | 205,899 |
| Gross Profit | 189,101 | 205,821 | 205,899 |
| Expenses | | | |
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| utilities | 6,000 | 6,000 | 6,000 |
| postage | 600 | 600 | 600 |
| delivery charges | 1,200 | 1,200 | 1,200 |
| supplies | 1,200 | 1,200 | 1,200 |
| legal/accounting | 240 | 240 | 240 |
| property taxes | 6,000 | 6,000 | 6,000 |

$$\frac{\$5,000}{50\%} = \$10,000$$

Incremental Sales Needed

$$\$411,798 + 10,000$$

$$= \$421,798 \text{ Total Sales Needed}$$

SUMMARY: CALCULATE ADVERTISING ROI

$$\frac{\text{Cost of Advertisement}}{\text{Gross Margin \%}} = \text{Total Incremental Sales Needed For ROI}$$

ANATOMY OF EFFECTIVE PRINT ADVERTISEMENTS

*Attention Device

*Emotional
Graphic

*Body Copy

*Call to Action



ANATOMY OF EFFECTIVE PRINT ADVERTISEMENTS

*Attention Device

*Emotional
Graphic

*Body Copy

*Call to Action



ANATOMY OF EFFECTIVE RADIO ADVERTISEMENTS

- *Focus on Target Market
- *Attention Device
- *Emotional / Funny / Compelling Message
- *Tell a Story with Beginning, Middle, Resolve
- *Call to Action

ANATOMY OF EFFECTIVE RADIO ADVERTISEMENTS


*Focus on Target Market

*Attention Device

*Emotional / Funny / Compelling
Message

*Tell a Story with Beginning,
Middle, Resolve

*Call to Action



U.P. Marketing Department

RADIO ADVERTISEMENT SCRIPT

CLIENT: SEVEN CLANS CASINO
 CAMPAIGN: ACCEPTING ALL OFFERS
 LENGTH: :30
 FLIGHT: SEPTEMBER 7 – SEPTEMBER 30

SFX: DOORBELL DING-DONG!
 SXF: DOOR SWINGING OPEN
 UNCLE SAM: HELLO MA'AM . . . UNCLE SAM HERE TO GIVE YOU BACK YOUR TAX DOLLARS
 HOUSEWIFE: BUT . . . I . . . OKAY!
 UNCLE SAM: HERE YOU GO . . .
 SFX: MONEY JINGLING
 UNCLE SAM: . . . ALL YOUR TAX MONEY RETURNED TO YOU!
 HOUSEWIFE: . . . UM . . . THANKS UNCLE SAM!
 ANNOUNCER: GREAT OFFERS LIKE THIS DON'T HAPPED EVERY DAY . . . YOU **CAN** CASH-IN ANY VALID CASINO OFFER . . . ACCEPTING ALL OFFERS . . . AT SEVEN CLANS CASINO . . . NOW THROUGH SEPTEMBER THIRTY.
 UNCLE SAM: . . . BRING YOUR OFFER TO SEVEN CLANS TODAY . . . !
 MUSIC: JINGLE OUT

ANATOMY OF EFFECTIVE TV ADVERTISEMENTS

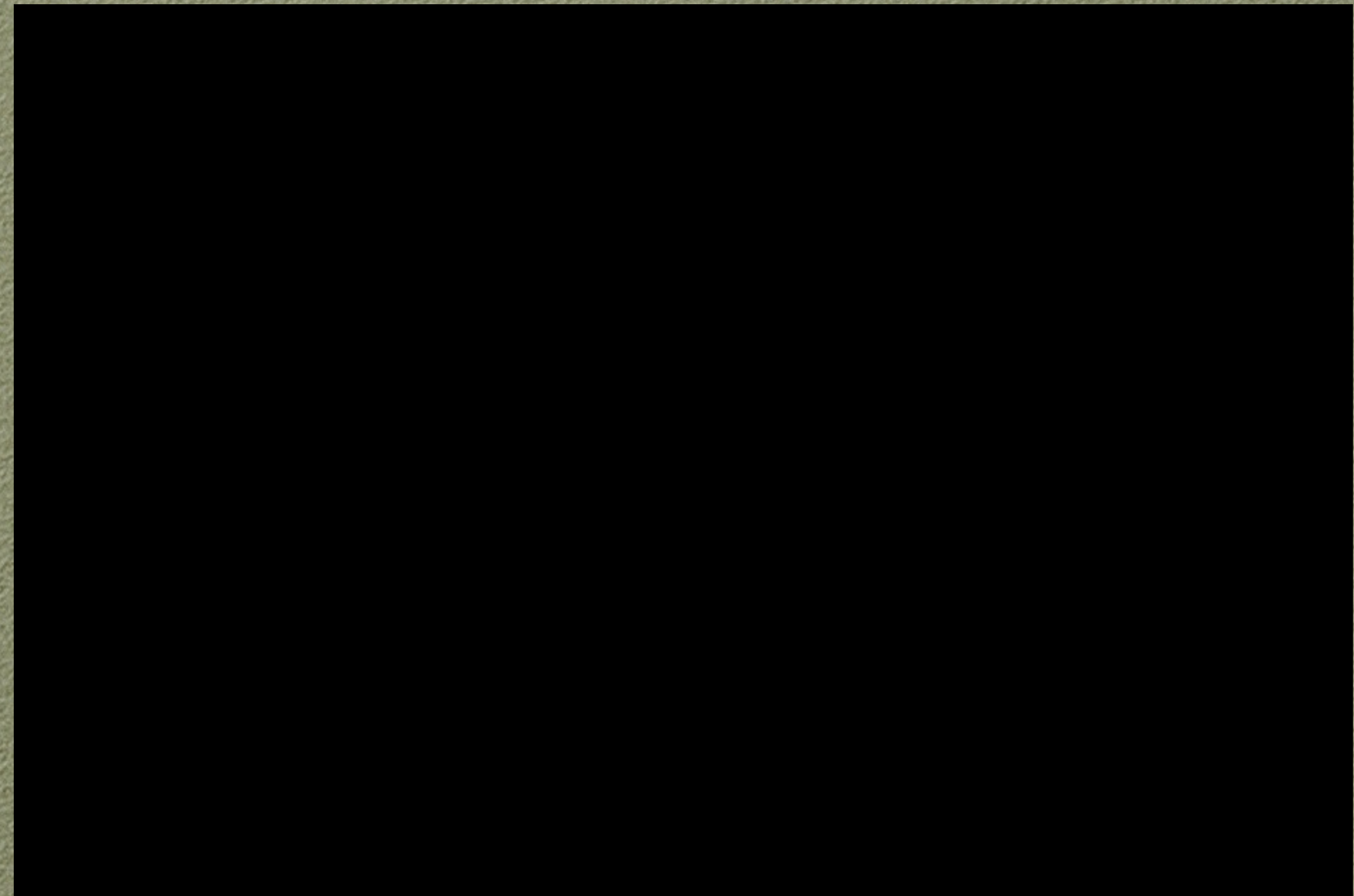
*Focus on Target

*Emotional Message

*Tell a Story

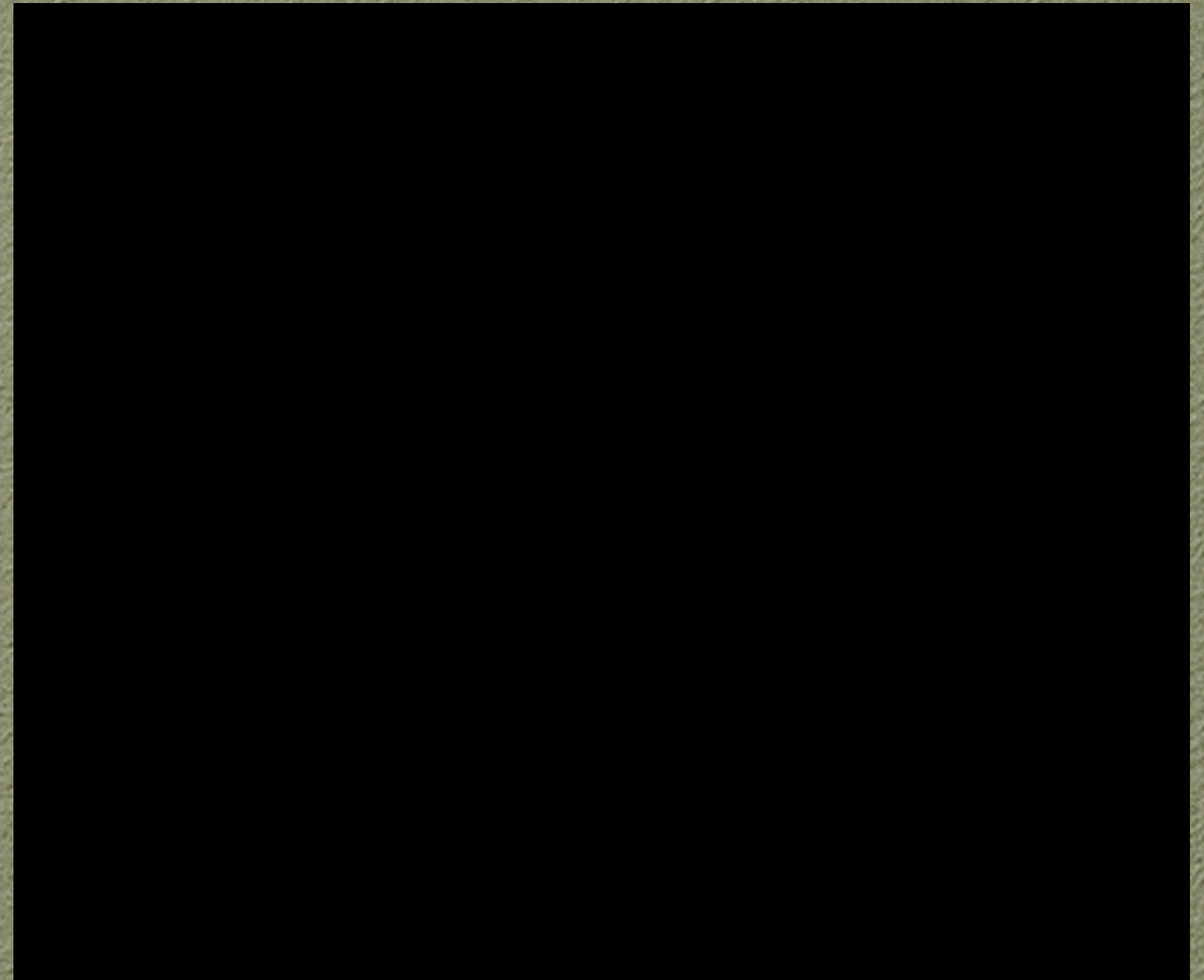
*Beginning, Middle, Resolve

*Call to Action



ANATOMY OF EFFECTIVE ONLINE ADVERTISEMENTS

- *Focus on Target Market
- *Emotional Message
- *Moving Graphics
- *Call to Action



BADVERTISING

- *Ego Buys
- *No Advertising Framework
- *Sales People Write Advertisements
- *Saying Too Much
- *Trying to Reach “Everybody”

BADVERTISING: EGO BUY

- *Usually Contains Founder's Photo/Voice/Character
- *Immeasurable Results
- *Designed to Impress Purchaser of Ad
- *Ignores Target Market



ALL THINGS BASEMENT!
Innovative Basement Systems
Basement & Foundation Specialists

FREE! ESTIMATES!

Basement Wall Stabilization
Basement Finishing
Basement Structural Repairs

651-346-3272
www.mnbasements.com

BADVERTISING: MISSING FRAMEWORK

Where Quality and Affordable Meet



The
Mercantile
Exchange


RESALE
CONSIGNMENT
ANTIQUES

www.TheMercEx.com 524-7372 www.FB.com/TheMercEx


Monday - Saturday 10 a.m. - 6 p.m.
Open Late Thursday - 10 a.m. - 7 p.m.

1 N. Main St. • LAnse, MI 49946
Consign@TheMercex.com

BADVERTISING: SAYING TOO MUCH




HOOVER'S PROFESSIONAL TREE SERVICE



Deal Directly
with the owner, Ray Hoover


Hoover's Tree Service understands there are many good loggers and handymen in the area. However, sometimes it is best to call a professional arborist. Hoover's Tree Service has a "Bucket Truck" to reach high to help in a tree's removal. They are also experts in "Tree Climbing" using all the most modern "Tree Ascension Equipment Available."



After
Bush Trimming



Hoover Crew in the Winter



Before Tree
Trimming


The owner Raymond Hoover has been in business for over 30 years. He personally visits every job to assess the work to be performed and to make recommendations for trimming or removal if necessary. His estimates are always in writing with a clear job description and price. He also supplies a copy of his insurance with every estimate. They have **General Liability Insurance** to cover any potential damage to property and much more importantly they have **Workers Compensation Insurance** to cover their employees.




After
Bush Trimming

Hoover's Tree Service
makes weekly trips to all of Baraga County and beyond.

For a **FREE ESTIMATE** or consultation please e-mail
Ray at: Ray@hooverstreeservice.com or call
1-800-834-6064 or call him direct at **1-906-228-6426**.
Ray Is At Your Service!



After
Tree Trimming



#W1-0458A
Raymond J. Hoover

BADVERTISING: SAYING TOO MUCH

*Saying Everything is Saying Nothing

*Talking to Everybody is Talking to Nobody

*Too Much Copy Looks Like the Publication

*Less Is More!

*Less Copy, More Emotional Graphics



HOOVER'S
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TREE SERVICE

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Deal Directly with the owner, Ray Hoover

After Bush Trimming

Hoover Crew in the Winter

Before Tree Trimming

After Tree Trimming

The owner Raymond Hoover has been in business for over 30 years. He personally visits every job to assess the work to be performed and to make recommendations for trimming or removal if necessary. His estimates are always in writing with a clear job description and price. He also supplies a copy of his insurance with every estimate. They have **General Liability Insurance** to cover any potential damage to property and much more importantly they have **Workers Compensation Insurance** to cover their employees.

Hoover's Tree Service makes weekly trips to all of Baraga County and beyond. For a **FREE ESTIMATE** or consultation please e-mail Ray at: Ray@hooverstreeservice.com or call 1-800-834-6064 or call him direct at 1-906-228-6426. Ray Is At Your Service!

#WI-0458A
Raymond J. Hoover

BADVERTISING: SAYING TOO MUCH

Visit Louisiana follow 41 B to Downtown Marquette
marquettecajun.com

OVER 85
MENU ITEMS
CLASSICS
to
CREATIONS

*and no it's not
all spicy!*

Lagniappe
A Cajun Creole Eatery

HOME OF THE
VOODOO

OPEN MONDAY thru SATURDAY
11:00 A.M. till 9:00 P.M.

CLOSED
SATURDAY / SUNDAY /
FOR PRIVATE PARTIES

2 ENTRANCES 145 JACKSON CUT & 143 WASHINGTON ST.

152121

BADVERTISING: EGO BUY



We can help you with...

Retirement Planning | Stocks & Bonds
Mutual Funds | Annuities | IRAs

Cindy Gustafson
Financial Advisor
906-776-2953

Located at:
First National Bank & Trust
233 S. Stephenson Ave
Iron Mountain, MI 49801



**FIRST NATIONAL
WEALTH MANAGEMENT**

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BADVERTISING: MISSING FRAMEWORK



We can help you with...

Retirement Planning | Stocks & Bonds
Mutual Funds | Annuities | IRAs

Cindy Gustafson
Financial Advisor
906-776-2953

Located at:
First National Bank & Trust
233 S. Stephenson Ave
Iron Mountain, MI 49801



**FIRST NATIONAL
WEALTH MANAGEMENT**

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BADVERTISING: SAYING TOO MUCH



We can help you with...

Retirement Planning | Stocks & Bonds
Mutual Funds | Annuities | IRAs

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BADVERTISING: TALKING TO EVERYBODY



BADVERTISING: SALESMEN COPY

- *Sales People are Trained in Selling (Extracting Money from Your Wallet)
- *Not Trained in Advertising
- *Not Trained in Marketing Communications
- *Not Trained in Mass Communications
- *Copy Results in Announcement Disguised as Advertisement

STRONG WEB PRESENCE: SEO

*Relevant Copy

*Strong Meaningful
Headlines

*Title Tags

*Alt Tags on Images

*Inbound Links

*Keyword on Page Title

*Keywords in Content

*Use Social Sharing
Buttons

*Old Domain Names

*Meta Descriptions

STRONG WEB PRESENCE: SEO

*Relevant Copy

*Strong Meaningful Headlines

*Page Title Keyword

*Alt Tags on Images

*Outbound Links

The screenshot shows a web browser window displaying the website for U.P. Marketing Department. The browser's address bar shows the URL upmarketingdepartment.com. The page title is "UP Marketing Department L'Anse, MI Mobile Web Graphic Design Advertising". The website features a navigation menu with links for "Responsive Web", "Mobile Web", "Graphic Design", "Advertising", "Contact", and "Home". The main content area includes the company logo, the text "U.P. Marketing Department", the headline "Better Marketing", and a sub-headline "It takes more than a logo to make your business successful. We can help." Below this is an image of a loon with the text "SHORELINE CREATIONS". A green callout box on the right side of the page contains several paragraphs of text, including a link to "see marketing evaluation by contacting us here." Blue arrows point from the SEO tips on the left to various elements on the website: "Relevant Copy" points to the main text; "Strong Meaningful Headlines" points to the "Better Marketing" headline; "Page Title Keyword" points to the browser's title bar; "Alt Tags on Images" points to the loon image; and "Outbound Links" points to the link in the callout box.

STRONG WEB PRESENCE: SEO

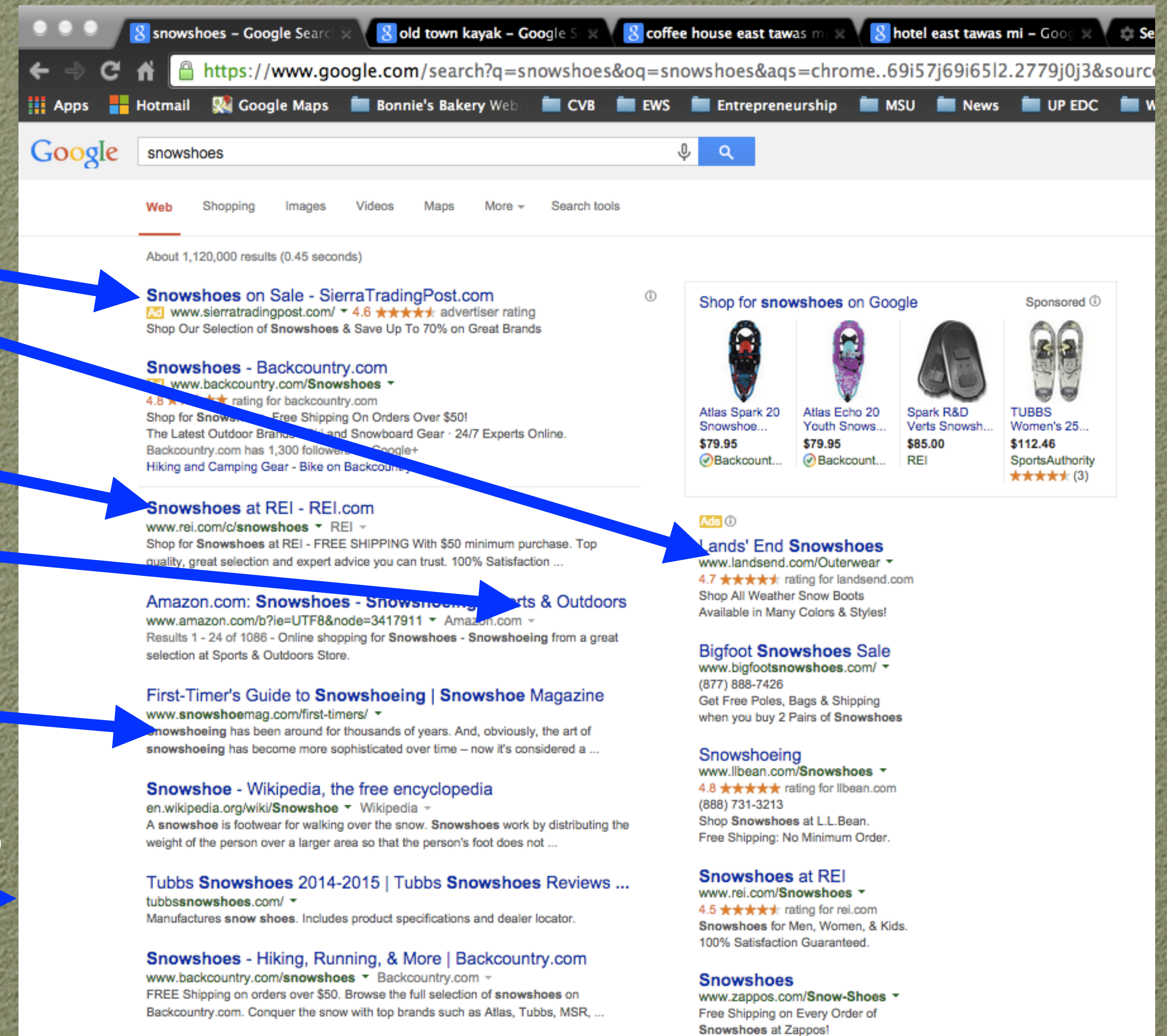
*Paid Advertising

*Page Title

*Page Title Keyword

*Meta Description

*Organic Search Results



STRONG WEB PRESENCE: LANDING PAGES

- *Landing Pages are Separate Sites/Pages for Promotions
- *Google AdWords + Landing Pages = Measured Results
- *Drive Traffic to Special Landing Pages to Measure Results
- *Used for Social Promotions
- *Used to Measure Different Campaigns
- *Easy to Measure Conversion Rates

SOCIAL MEDIA & MARKETING

*Complimentary not Replacement

*Build Brand Acceptance, Equity,
Ambassadors

*High Touch Marketing Tactic

SOCIAL MEDIA & WEB PRESENCE

- *Many Platforms Available
- *Create Profile in All You Can
- *Use only 1 or 2
- *Follow Steps for Effective Implementation of Social Media Marketing Tactics



SOCIAL MEDIA & MARKETING: TACTICAL EXECUTION 5 ITEMS

- **A** Actionable
- **E** Educational
- **I** Inspirational
- **O** Outrageous / Funny
- **U** Useful



A screenshot of a Facebook post. At the top, there is a profile picture and the text "October 3 at 1:54am ·". Below that is the caption "A toy for a few people I know." The main image shows a man in a green jacket operating a large red V-8 chain saw to cut through a large log. The saw is positioned on the left, and the log is on the right. A red circle highlights the saw's engine area. In the background, several men in orange safety vests are watching. Below the image, the text reads "V-8 Chain Saw in Action!" followed by "I knew it would be fast, but the sound was amazing!" and the website "AMERICANLOVESHORSEPOWER.COM". At the bottom, there are the options "Like · Comment · Share".

October 3 at 1:54am ·

A toy for a few people I know.

V-8 Chain Saw in Action!
I knew it would be fast, but the sound was amazing!
AMERICANLOVESHORSEPOWER.COM

Like · Comment · Share

SOCIAL MEDIA & MARKETING: POSTS ARE 4 TO 1 RATIO



- 4 A-E-I-O-U Posts
- 1 Sales Attempt
- 4 to 1 Ratio!
- Avoid Salesman Syndrome

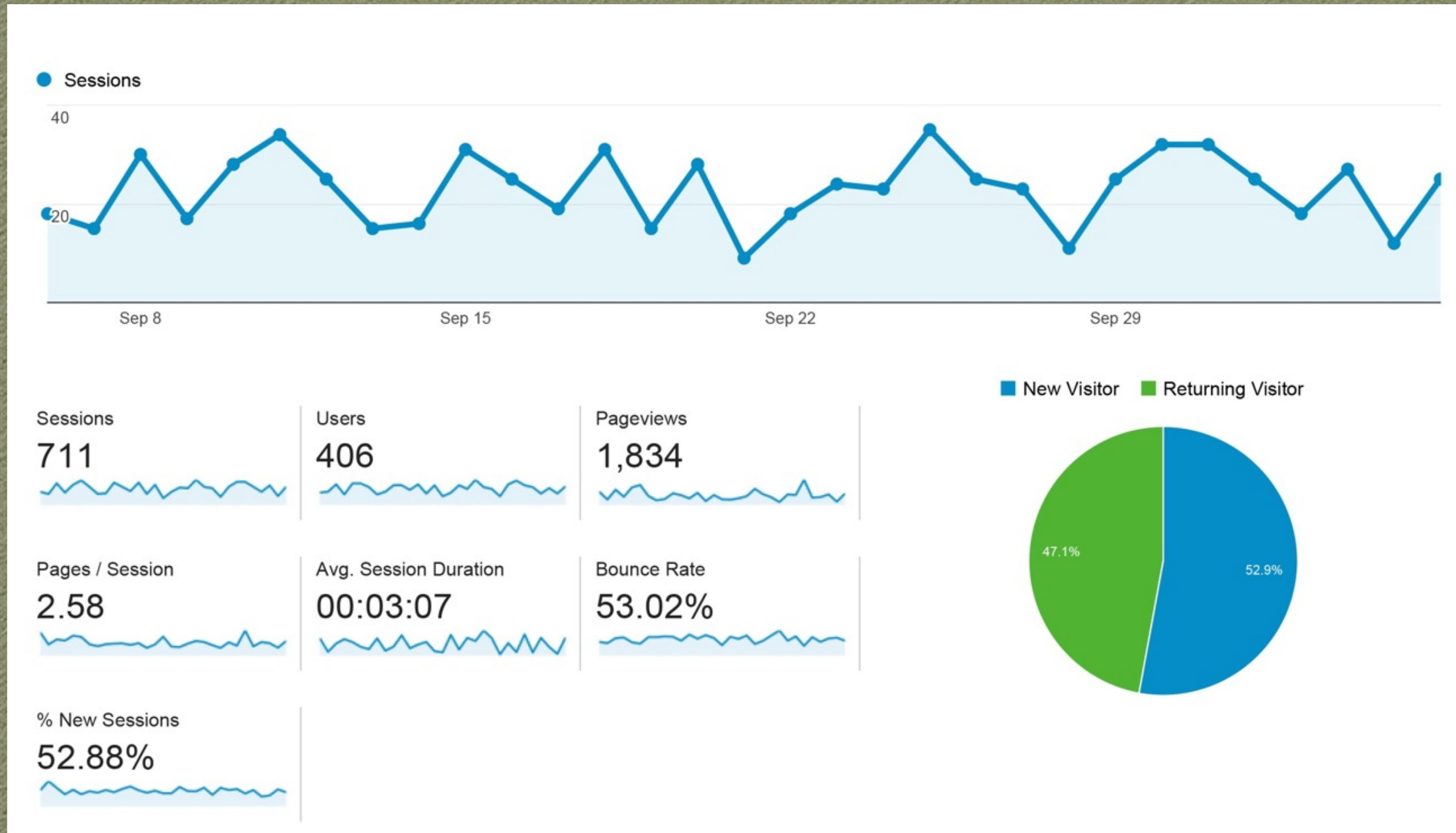
ENTREPRENEURIAL MARKETING: METRICS

- **Rule #1: Measure EVERYTHING!**
- **Rule #2: If you Can't Measure,
Don't Spend!**

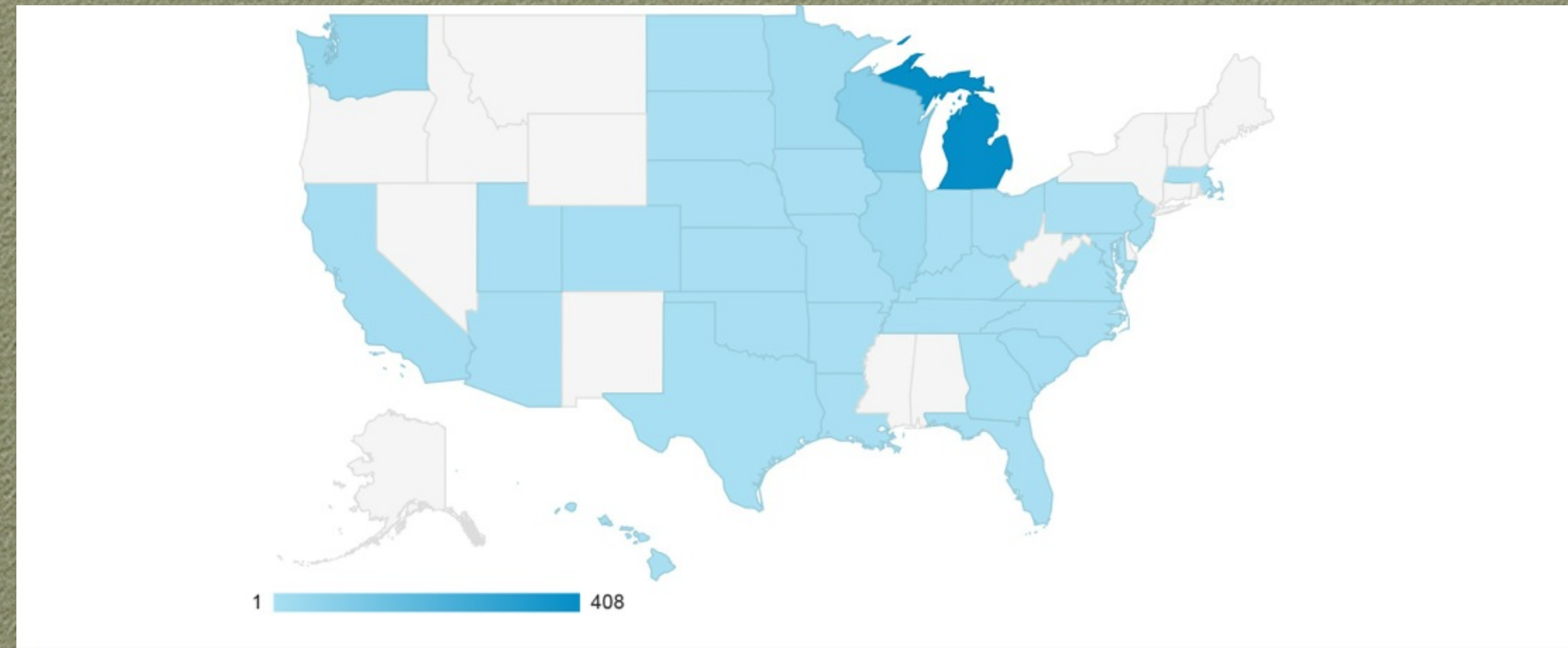
METRICS: HOW TO

- **Measure ROI on All Efforts**
- **Count number of “Likes” “Retweets” “Pins” “Reposts” for Individual Efforts**
- **Use Google Analytics for Conversion Rates, Bounce Rates, Page Views, Search Terms, Type of Device**

METRICS: GOOGLE ANAYLTICS



METRICS: GOOGLE ANAYLTICS



| Region | Acquisition | | | Behavior | | | Conversions | | |
|---------------|------------------------------------|---|------------------------------------|---|-----------------------------------|--|-------------------------------------|-------------------------------|---|
| | Sessions | % New Sessions | New Users | Bounce Rate | Pages / Session | Avg. Session Duration | Goal Conversion Rate | Goal Completions | Goal Value |
| | 631 % of Total: 88.75% (711) | 46.91% Site Avg: 52.88% (-11.30%) | 296 % of Total: 78.72% (376) | 48.65% Site Avg: 53.02% (-8.24%) | 2.73 Site Avg: 2.58 (5.74%) | 00:03:28 Site Avg: 00:03:07 (11.50%) | 0.00% Site Avg: 0.00% (0.00%) | 0 % of Total: 0.00% (0) | \$0.00 % of Total: 0.00% (\$0.00) |
| 1. Michigan | 408 (64.66%) | 39.95% | 163 (55.07%) | 45.10% | 2.89 | 00:04:30 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |
| 2. Wisconsin | 77 (12.20%) | 63.64% | 49 (16.55%) | 48.05% | 2.74 | 00:02:13 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |
| 3. Washington | 41 (6.50%) | 14.63% | 6 (2.03%) | 75.61% | 1.78 | 00:01:03 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |

METRICS: GOOGLE ANAYLTICS



| Mobile Device Info | Acquisition | | | Behavior | | | Conversions | | |
|--------------------------------|------------------------------------|---|--------------------------------------|---|--|--|--|-------------------------------|---|
| | Sessions | % New Sessions | New Users | Bounce Rate | Pages / Session | Avg. Session Duration | Goal Conversion Rate | Goal Completions | Goal Value |
| | 147 % of Total: 20.68% (711) | 60.54% Site Avg: 52.88% (14.49%) | 89 % of Total: 23.67% (376) | 60.54% Site Avg: 53.02% (14.18%) | 1.99 Site Avg: 2.58 (-22.99%) | 00:01:20 Site Avg: 00:03:07 (-57.14%) | 0.00% Site Avg: 0.00% (0.00%) | 0 % of Total: 0.00% (0) | \$0.00 % of Total: 0.00% (\$0.00) |
| 1. Apple iPhone | 48 (32.65%) | 54.17% | 26 (29.21%) | 58.33% | 1.73 | 00:00:42 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |
| 2. Apple iPad | 33 (22.45%) | 60.61% | 20 (22.47%) | 51.52% | 2.64 | 00:02:31 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |
| 3. (not set) | 12 (8.16%) | 83.33% | 10 (11.24%) | 50.00% | 2.17 | 00:00:45 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |
| 4. Motorola XT907 DROID RAZR M | 11 (7.48%) | 9.09% | 1 (1.12%) | 100.00% | 1.00 | 00:00:00 | 0.00% | 0 (0.00%) | \$0.00 (0.00%) |

METRICS: HOW TO

- **Set Up Landing Pages for Social/Web Promos**
- **Use Coupon Codes for Print / Online Coupons**
- **Measure Incremental Sales Vs. Same Time Last year**
- **Watch Gross Margin**
- **Measure Spending/Sweat Equity**
- **Put Different Offers on Radio/TV/Newsprint, Measure Which One Sells Better**

METRICS: HOW TO

- **Call to Action to Different Landing Pages for Different Media**
- **Ask Floor Traffic Where They Heard About Company**
- **Use Different Phone Numbers for Different Print Ads**

METRICS: HOW TO

- **Use Constant Contact and Count how Many Recipients Downloaded Photos**
- **Measure Incremental Sales!**

CONCLUSION OF ENTREPRENEURIAL MARKETING

- *Marketing Mathematics
- *Anatomy of Advertisements
- *Badvertising
- *Websites / SEO
- *Social Media
- *Marketing Metrics
- *Conclusion

THANK YOU

PAUL J. WERNER

An advertisement for Ojibwa Casinos featuring the headline "Ojibwa moments." at the top. Below the headline are four small photographs: a couple taking a selfie, a group of people at a casino table, two women in formal attire, and a man with a woman on his shoulders. At the bottom left is the website "visit ojibwacasino.com", in the center is the "OJIBWA CASINOS" logo with a colorful eagle, and at the bottom right is the slogan "Make Your Own Moments!".

Ojibwa moments.

visit ojibwacasino.com

OJIBWA
CASINOS

Make Your Own Moments!

MICHIGAN STATE
UNIVERSITY

Extension