

15 Marketing Mistakes SBDCs Make:

and what we are doing in Kansas to fix them

ASBDC 2008 – Chicago



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Intro – what the Kansas SBDC once looked like

Reduced funding.
Do more with less.
Losing good people.

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Why marketing matters to an SBDC

Marketing = Better Clients
Marketing = Community Reputation
Marketing = Perception of Value
Marketing = A Bigger Budget

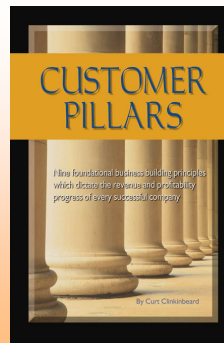
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Mistake 1: Can you fog a mirror:
Being less than proactive about marketing to the kinds of clients you need to

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PILLAR #1
Focus on growth customers

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Suggested Actions:

- Define and target the types of clients you need to work with
- Attract growth clients who will help move your program where you want it to go
- If you “take what you get” with clients, your budget might decrease

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Mistake 2: Biting the hand: Not recognizing funding partners are customers

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PILLAR #1
Focus on growth customers

SBDCs have 2 primary customers

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Suggested Actions:

- Recognize you have 2 customers: clients and funding partners
- You must demonstrate value to funding partners for them to invest
- Develop a multi-faceted marketing approach to funding partners

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Legislative Goals

- Increase the visibility, access and influence of the KSBDC program.
- Generate support for the KSBDC program.
- Motivate our government officials and state legislators to increase their support for the KSBDC program.
- Motivate our congressional delegation to fund the National SBDC program at the authorized level.



Written Legislative Strategy

- Six strategies
 1. Increase communication from clients to key personnel.
 2. Increase communication from KSBDC program supporters to legislators and key host personnel.



Written Legislative Strategy

- Continuation of strategies
- 3. Focus on establishing relationships with state representatives and senators, the staff of our congressional delegation, and key local and county representatives.



ksbdc
KANSAS SMALL BUSINESS DEVELOPMENT CENTER

Written Legislative Strategy


- Continuation of strategies
- 4. Encourage and facilitate the co-sponsorship of KSBDC events with legislators and government agencies.
- 5. Invite policy makers to attend KSBDC workshops, especially pre-business workshops.



ksbdc
KANSAS SMALL BUSINESS DEVELOPMENT CENTER

Written Legislative Strategy

- Continuation of strategies
- 6. Conduct an event to educate government and elected officials on the services and importance of entrepreneurs, existing businesses and the KSBDC program. Emphasize how businesses and KSBDC services impact the state's economy.



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Mistake 3: I'm only a numbers person:
Being one-dimensional in the way we assist clients versus developing generalists

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Suggested Actions:

- Our clients do not have the luxury of being one dimensional
- Well rounded clients = well rounded businesses
- We must be well rounded

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Mistake 4: Like old bread, it gets stale:
Failing to evolve your program

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PILLAR #2

Maximize value incrementally

Suggested Actions:

- Your program cannot be the same one it was 5 years ago
- Funding partners like to invest in "cutting edge" things
- The SBDC program is adaptable, but you must evolve it

Mistake 5: Free is easy, but it isn't perfect: Not addressing the marketing negatives associated with our pricing model



PILLAR #3


Refine to perfect pricing

Suggested Actions:

- You get what you pay for – must be overcome
- Target higher end clients and tailor programs to their needs
- Understand your \$\$ costs and your dollar value – what would you charge?

Mistake 6: The \$35 seminar trap: Believing cheap workshops will attract the right clients and grow your program

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PILLAR #3
Refine to perfect pricing

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Suggested Actions:


- Cheap workshops attract a certain type of entrepreneur
- Workshop promotions are viewed publicly and make a statement
- Offer workshops at a variety of price points and target a wider range

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Mistake 7: A lackadaisical approach to linkers

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PILLAR #4
Form productive linking relationships

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Suggested Actions:

- SBDCs grow through linkers – implement a real marketing approach
- Be specific about the types of clients you want them to refer to you
- Communicate regularly and make it easy to refer to you

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OUR GOAL IS TO HELP SMALL BUSINESSES!
Better Loans to Better Companies

We help banks make BETTER small business loans

SEEKING BETTER SMALL COMPANY CLIENTS?

<http://www.growyoursbdc.com>

Mistake 8: Losing to competitors: Social programs are an easier "sell" to legislators than helping businesses

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PILLAR #5
Sharpen your competitive edge

SBDC's do have competition

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Suggested Actions:

- SBDCs have competition for funding
- We must be advocates for small biz and the ROI for investing here
- Show how you will help other programs by improving the tax base

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Mistake 9: Losing to the competitors:
Selling only steak, but without the sizzle

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PILLAR #5
Sharpen your
competitive edge

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Suggested Actions:

- You need to position your program and sell it
- Other people – including small biz programs – want to take your money
- The world will not know the great work you do unless you tell them

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Mistake 10: Surely they must “get it” – Assuming people understand what we do

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PILLAR #6
Connect powerfully
with customers

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Suggested Actions:

- Most people have no idea of how to support entrepreneurs
- Unless explained, most will not understand how you differ in ED
- You must tell, retell, and retell again the story of what you do

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Mistake 11: Their just a bunch of academics: Not everyone – including many successful entrepreneurs - thinks working for a University is cutting edge

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PILLAR #6
Connect powerfully
with customers

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Suggested Actions:

- There are communications challenges in marketing the program
- The program is more “real world” than its association with higher ed
- Some entrepreneurs may actually question your credibility

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Mistake 12: Time for our annual visit to Uncle Sam: Infrequent or ineffective communications with funding partners

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PILLAR #6
Connect powerfully
with customers

Suggested Actions:

- Funding partners must be communicated with regularly
- Out of sight = Out of Mind = Out of Money!
- Like any marketing approach "frequency" is critical

Key Components

- KSBDC Team Effort
- Written Legislative Strategy
- KSBDC Training Orientation
- KSBDC Advisory Board
- Annual Letter and ROI Fact Sheet
- KSBDC Legislative Day at the Capitol
- KSBDC Annual Ceremony at the Capitol
- KSBDC Post Card Campaign



Mistake 13: Buried under business plans: Not allocating time to developing your program because you are too busy serving clients



PILLAR #9
Practice coordinated
growth planning

Suggested Actions:

- It isn't about working hard – that's a given—its about growing your program
- You owe it to the entrepreneurs in your community to expand
- If you can't see a forest for all the trees, you are not growing proactively

Mistake 14: Save us Don: Mistakenly thinking you don't control your own budget



PILLAR 9
Practice coordinated
growth planning

Suggested Actions:

- Growing your center's budget starts at the center level
- Nothing will support ASBDC's and your state's efforts better
- Controlling your own destiny is empowering, not more work

Mistake 15: Not being entrepreneurial about being entrepreneurial



PILLAR 9
Practice coordinated
growth planning

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Suggested Actions:

- Run your center like you want your clients to run their business
- Be creative at overcoming growth challenges – like your clients must
- Know that marketing is an important part of your center's evolution – just like with your clients!

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Tools to grow your center – better
marketing = bigger budgets – steps we
are taking in Kansas

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KSBDC Legislative Strategy

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WE HAVE A GOAL

*That SBDCs on a national scale can
improve their ability to market their centers
to better posture their programs for much
needed increases in funding.*

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**Thank you for having
us here today!**

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