

Sales and Marketing for Technology Startups

Introduction

Changes in technology, communication methods, and the rise of social media have created a major shift in the world of marketing. The emergence of the Internet and digital media has removed geographical barriers, allowing small businesses and entrepreneurs to sell their products and services directly to their customers.

With internet access, a good strategy, and a bit of creativity, small businesses can reach their audience wherever they are in the world, using existing digital communication channels.

Building a digital marketing strategy will help you to understand who your key customers are so you can target those who are most likely to be interested in your product or service. You can then monitor and adjust your activities to ensure your limited budget is used wisely.

Go through the contents of the module and use the attached resources to build your marketing strategy and plan your actions.

Outbound to inbound marketing

Shifts in consumer habits and expectations have also led to the shift from outbound to inbound marketing.

- **Outbound:** Outbound marketing aggressively seeks to grab the attention of as many potential consumers as possible through paid marketing activities.
- **Inbound:** Inbound marketing passively attracts interested prospects by being easily found, providing interesting information and enjoyable engagements.









The shift from outbound to inbound marketing has resulted in three new approaches.


1. **Organic vs Paid traffic:** Companies are using valuable, organic content to establish trust instead of using paid advertising to drive website or store traffic.
2. **Customer loyalty vs Sales volume:** Companies are prioritising customer engagement and loyalty above short-term sales volume goals.
3. **Customer-led vs Seller-led:** A seller-led approach means the customer is pushed to make a purchase quickly using the urgency of a sales pitch. In

contrast in a customer-led approach, businesses provide value for their customers and build a relationship before attempting to sell to them.

MOREY CREATIVE STUDIOS

DIFFERENCES BETWEEN INBOUND AND OUTBOUND

INBOUND LEAD GENERATION		OUTBOUND LEAD GENERATION
 The Potential Customer	Who initiates first contact?	 The Business
 The Potential Customer	Who chooses the medium of the first interaction?	 The Business
 Blogging, SEO, Social Media, Content Offers	What are the most common methods?	 Direct Mail, Paid Ads, Cold Calling
Indefinitely. Evergreen content that performs well in search engines can earn traffic and leads well past when it was created.	How long does a marketing effort last?	As long as the ad runs, when the cold call ends, after the e-mail was sent, etc.
 LOW COST LONG TERM	What is the cost profile?	 HIGH COST SHORT TERM
Digital marketing, SEO, SEM, social media, web & graphic design, content production, strategy	What marketing skills are required?	Copywriting, web & graphic design, strategy



These shifts in customer habits and preferences provide small businesses with immense power. By harnessing the many opportunities, you now have to communicate with customers, you are able to build a loyal customer base. But this can also feel more overwhelming, especially when you have limited resources. The best way to get started and create a focus is to create a digital marketing strategy.

Digital marketing strategy

A digital marketing strategy defines a company's approach to achieving its digital marketing objectives. Before you start to formulate your strategy, you need to do some background research into your market. Depending on your business, your digital strategy goals will be different. To formulate your strategy, you should go through these steps:

Step 1: Establish your digital marketing goals

A digital marketing strategy will guide your work and allow you to track and measure the effects of your activities. To do this, you need to identify what you want to achieve. Digital marketing goals are a foundational part of any digital marketing strategy. They help us connect business and marketing activities, making sure the everyone is working towards the same goals. At the same time, they make us accountable and able to track our progress.

A useful framework for defining digital marketing goals is SMART:

- **Specific:** The goal should be clear and specific, so you can focus your efforts and feel motivated to achieve it.
- **Measurable:** This ensures you track your progress and that the whole team stays motivated.
- **Achievable:** It must be realistic and attainable to be successful. It should stretch your abilities but remain possible.
- **Relevant:** It is important to think about the reason behind the goal you have set. Consider the way it connects to the broader marketing and business longer-term goals.
- **Time-bound:** A target date will give you something to focus on and work towards. This also helps to prevent everyday tasks from taking priority over strategy.

Step 2: Determine a customer persona

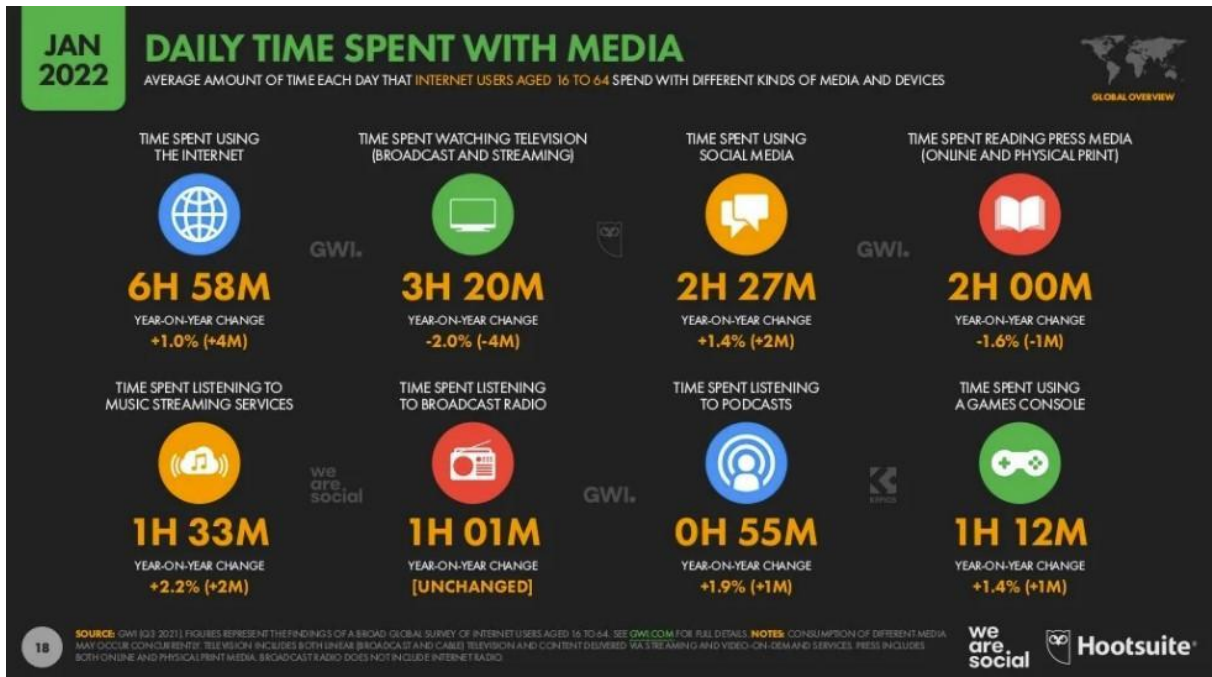
Personas are fictional characters who represent the different user types that might use your service, product, site, or brand in a similar way.

A buyer persona framework helps you to identify common characteristics of your target audience. You can use this to create some realistic profiles that can help you direct your marketing efforts better and adapt your sales message to the needs of these different target groups.

Personas should be based on what you know about your real customers. The buyer persona conceptual framework looks at the target audience through four main dimensions:

- **Geographic and demographic characteristics:** This might include gender, age, location, annual revenue, work information, marital status and parental status.
- **Interests, beliefs, values, hobbies:** This might include anything that will make the persona feel "real".
- **Pain points and needs:** This might include what their needs are, and how can you help?
- **Digital habits:** This might include what they read, how they gather information and connect with others.

Take a moment to reflect on your customers and see if you can suggest some key points based on the four dimensions. When creating your personas, you might find it useful to look at some research carried out by Hootsuite, a digital marketing tool, on the online habits of consumers: <https://www.hootsuite.com/resources/digital-trends>



Step 3: Craft your marketing message

Your marketing message directly affects the perception of your brand. Your customer personas will help you craft your marketing message in a way that will convince your customers that they need your product or service. Your marketing message will directly affect the perception of your brand.

The 'Elements of Value' framework was developed by Bain & Company and can help you better understand how to approach your messaging. It uses 30 different values set within four categories of human need. Using the framework can help you to send a clear message about your values that will help create an emotional connection with your audience. These are the key elements to consider when you create your marketing messages: **Social impact elements, Life-changing elements, Emotional elements and Functional elements:**

The Elements of Value Pyramid

Products and services deliver fundamental elements of value that address four kinds of needs: functional, emotional, life changing, and social impact. In general, the more elements provided, the greater customers' loyalty and the higher the company's sustained revenue growth.

SOCIAL IMPACT



Self-transcendence

LIFE CHANGING



Provides hope



Self-actualization



Motivation



Heirloom



Affiliation/
belonging

EMOTIONAL



Reduces anxiety



Rewards me



Nostalgia



Design/
aesthetics



Badge value



Wellness



Therapeutic value



Fun/
entertainment



Attractiveness



Provides access

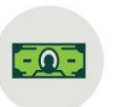
FUNCTIONAL



Saves time



Simplifies



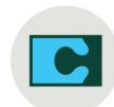
Makes money



Reduces risk



Organizes



Integrates



Connects



Reduces effort



Avoids hassles



Reduces cost



Quality



Variety



Sensory appeal



Informs

SOURCE © 2015 BAIN & COMPANY INC.
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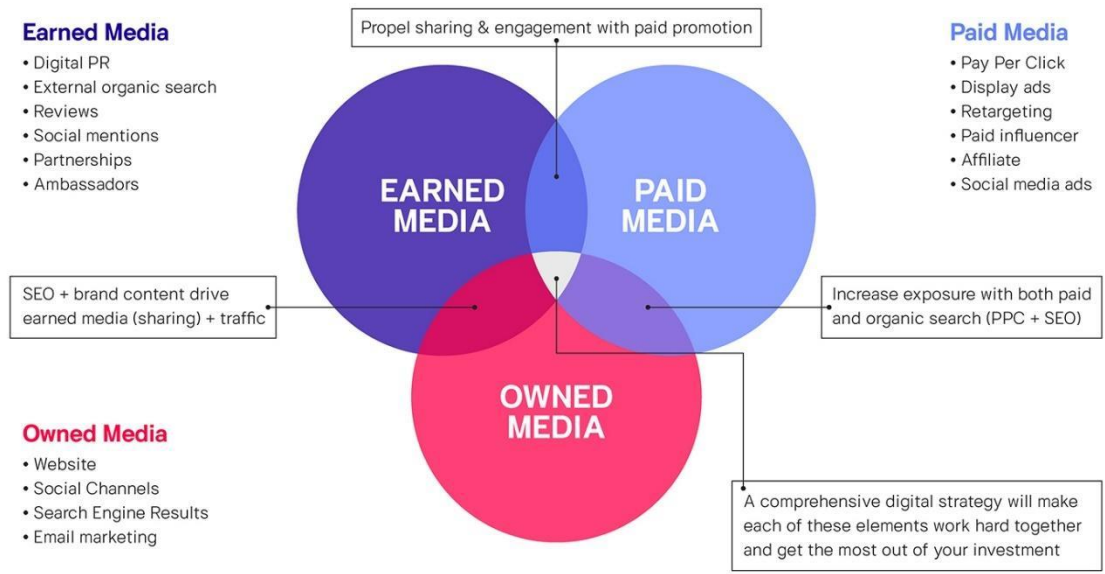
Check out the interactive guide here: [Elements of Value interactive graphic - Bain & Company Insights](#). Also, be sure to check out their article here: [The 30 Elements of Consumer Value: A Hierarchy \(hbr.org\)](#)

When crafting a marketing message and thinking of functional aspects of your product or service, you should consider how you can communicate values that will forge an emotional connection with your customers. This emotional connection can help you gain an advantage over larger competitors.

Step 4: Choose a communication channel

A good marketing strategy includes a mix of three types of media:

- **Owned Media:** Owned media are objects and channels you have full or partial control of in terms of ownership, design, and content. Your goal in this area is to create interesting content so that the potential audience has the desire to share this content with their friends or publish it on their media channels.
- **Earned Media:** Earned media is when other people reference your products and services through mentions, shares, reports and reviews. Generating earned media shows that you are doing something that people wish to be connected with and create their own content to share with others. This can include sharing text, images, audio and videos relating to or including your product. Although earned media may seem outside your control, the key to success is to have an open and authentic conversation with people to earn their trust and respect. You can also encourage this type of media by asking customers to post their experiences and views of your product or service.
- **Paid Media:** Paid media channels include online advertising. This form of media is a platform for "pushing" content. It is designed to lead people to take the desired action - buy a product, share news, get to one of the organisation's owned media. Paid media channels can include paid Facebook promoted posts, and Instagram sponsored posts. This type of advertising is usually something that companies use to help them establish their online presence through other media types. To promote something, you need to have something to promote and this relates to your Owned media.



Social media is an established hub for digital activity, a starting point for engaging with family, friends, and acquaintances, and a way to discover information and connect with brands. Understanding how people use social media will help you create content that offers value and fulfils a need.

Your marketing strategy ideally includes a mix of three types of media, owned media, earned media and paid media. You will find it useful to start with owned media and build up your community. The social media types and the channel you use will depend on your goals and circumstances. Make your choice based on your business goals, the audience you wish to reach, and the message you wish to communicate.

Step 5: Monitor and adjust your marketing efforts

One of the biggest advantages of digital marketing is the possibility of continuous monitoring and adjustment of marketing activities.

If you rent a billboard, magazine or television advert, you are committing to a single message and broadcast period. In the case of digital marketing, you can monitor campaign performance and, if necessary, change your target audience, message, campaign visual or communication channel to get the best results.

A/B testing

A/B testing (also known as split testing) is a simple and effective technique to use when you want to understand your audience better and improve the overall campaign

performance. A/B testing is an experiment where two (or more) variants of a specific campaign asset are shown to users at random. Statistics are analysed to help identify which variant performed better.

Web analytics services

Google Analytics is a web analytics service that tracks and reports the movement of website visitors on your site. By analysing where your visitors came from, which pages capture their attention, and their overall interaction with your site, you can determine which digital marketing activities are the most effective.

- **Audience report:** Where your visitors are coming from, which language they're speaking, their age and gender, how many pages on average are read by each visitor and how much time on average each visitor spends on your website.
- **Acquisition report:** Tells you which channels bring you the most traffic, including social media and websites, which keywords visitors are using to get to your website and the performance of different (paid and organic) campaigns.
- **Behaviour report:** Tells you which pages, blog posts or blog post categories visitors are reading the most or the longest, what visitors are searching for on the site and which pages are visitors most usually dropping off from.
- **Conversion report:** This data shows the paths users take before completing a set goal and similarities between customers completing the same goal.

Wrapping-Up

Marketing is very important for the creation of start-ups, especially as they face environmental challenges, such as the rapid evolution of technology, globalization and increasingly more sophisticated competitors. As such, they need to be able to identify and pursue market opportunities, adapting to a dynamic environment, despite the limited financial and human resources that they possess and the set-back of a limited market and small customer base. The main tool to take advantage of these opportunities, currently, is clearly the Internet – where companies promote their products/services to a global target audience, reaching large masses at a greatly reduced cost. For this reason, it is mandatory to give maximum attention to digital marketing to obtain the maximum competitive advantage that this medium provides to companies. Marketing professionals are required to constantly update their knowledge and to constantly search for information, because this sector is always undergoing constant change.

To help you with achieving the most for your start-up company, further reading on the subject is available here:

- [A Sales Execution Strategy Guide for Technology Startups | TIM Review](#)
- [Marketing Strategy for Tech Startups: Everything You'd Ever Need To Know \(get.tech\)](#)
- [Welcome | Meta Business Help Center \(facebook.com\)](#)

Closing this lesson, check out the attached resources dedicated to drafting your marketing strategy and setting your marketing goals. Try to reflect and brainstorm within your team - based on the personas you have written; what media channels do you think you should focus on? Which social media channels? What types of media? Take a moment to reflect on how you will monitor your activities to ensure you meet your goals. What will be the key areas of focus? How do Google Analytics and social media reporting help you understand your audience? Where is your audience coming from? What is your audience searching for on the website? What are the most looked at products?

Continue your entrepreneurial journey with our other course modules.

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