



# Shout to the top

Guerilla and viral marketing are just part of the sales revolution evening up the odds for small and medium-sized businesses. Getting noticed is all about being smart and focused.

BY CAMERON COOPER

**I**N THE FAST-FOOD marketing game, Luke Baylis and his team are facing a sumo-sized battle. A competitor such as burger giant McDonald's spends about \$1.5bn a year on international advertising, while the marketing budget of the upstart Australian takeaway salad chain, SumoSalad, is much, much slimmer.

"We don't have the budget to put our ads across different media streams," says Baylis, co-founder of SumoSalad, a 25-store franchise that promotes itself as a healthy fast-food option. "So when we do put a piece of advertising out there, we get one chance to make it sink in."

SumoSalad has been forced to play it smart, using an integrated marketing campaign that includes ambush, viral and internet-based strategies, along with high-impact branding and funky graphics.

It is being noticed, although some rivals may have their noses out of joint. You have probably seen the ubiquitous "inner-child" television commercial in which children crawl out of adults' stomachs and visit a McDonald's restaurant. SumoSalad's none-too-subtle spoof – a creation of advertising agency Belgiovane Williams Mackay that has attracted hundreds of thousands of viewings over the internet – features an overweight boy trying to escape from a man's stomach. With the same backing track as the McDonald's ad, it signs off: "Eat large, stay thin."

Baylis, a former IT professional who set up SumoSalad with business partner James Miller, says the send-up of McDonald's is designed to be "a bit controversial – but mainly it's for people to look at, have a laugh and think that's a brand I can associate with".

SumoSalad also gained significant exposure on television news broadcasts of its ambush last year of a Krispy Kreme doughnut store opening in the Westfield Fountain Gate retail centre in

Melbourne. With its protesters waving placards carrying the slogan "Don't get fatter, give up the batter", SumoSalad received widespread media coverage for minimal outlay.

Baylis says the risk-averse nature of competitors such as McDonald's, KFC and Krispy Kreme helps a smaller player. "They like to sit in a happy place that doesn't offend anyone or make any real impact. They get their brand out there through a saturation tactic."

A growing number of small to medium-sized businesses are adopting creative marketing plans that transcend traditional – and often expensive – television and newspaper advertising campaigns. The internet and multi-media

formats such as mobile phones are transforming the marketing space.

Not all SMEs are catching on, however, with many battling time and financial constraints that inevitably put marketing on the backburner.

Mark Ritson, an associate professor of marketing at the Melbourne Business School, says SMEs often treat marketing as a "third leg" after product development and sales.

"You'd struggle to find SMEs where marketing is a core competence," he says.

Confusing marketing with expensive sponsorship and TV advertising campaigns, Ritson says many businesses forget to focus on their customers' needs. "As simple and banal as that sounds, eight out of 10 SMEs still don't understand that."

Ritson offers some key marketing tips for small businesses. First, resist the temptation to get an advertising agency to handle your marketing (it will almost certainly cost too much). Second, concentrate on qualitative rather than quantitative customer research (a one-on-one discussion with a client is usually more valuable than large customer surveys). Third, do not ignore branding in the pilot stages of the business (define your principles and goals from day one "rather than trying to bolt it on later"). Fourth, do not blame a lack of time or money for your failure to embrace marketing.

"Both can be relatively simply overcome if the company realises that understanding the customer is as important as getting sales or developing products."

## THE MEDIUM IS THE MESSAGE

Online social networking through websites such as Flickr, World of Warcraft, MySpace and YouTube has been a wake-up call for marketers.

They are now trying to assess if they can

## TEN MARKETING NO-NOS

1. Don't assume you know what your customers' needs are.
2. Don't underestimate the shortcomings of your business.
3. Don't try to market your product to everyone.
4. Don't take your customers for granted.
5. Don't hire slick salespeople with poor listening skills.
6. Don't design your marketing plan in a vacuum.
7. Don't leave weaker areas of the business alone.
8. Don't launch into expensive research every time.
9. Don't dwell on poor performance.
10. Don't stress out completely and lose your work-life balance.

From *Marketing Work: Unlocking Big Company Strategies for Small Business* by Chris Lee and Daniele Lima, rrp \$19.95

use such sites to sell products or whether attempts to do so will create a backlash from savvy young users.

Some analysts also believe new media channels such as mobile phones will force marketers to create micro-content that will have a second or two to win over its target audience. Regardless, it is clear smaller businesses have a chance to use technology to punch above their weight.

Daniele Lima, co-author of a new book, *Marketing Works: Unlocking Big Company Strategies for Small Business*, says agile SMEs can outrun multinationals that are "often hamstrung" by their size.

"If SMEs have really got their finger on the pulse of consumer need, they can make it happen quickly," Lima says.

He worries, though, that too few businesses do their homework. At a recent Chamber of Commerce meeting, Lima asked 30 businesspeople if they had performed a SWOT analysis – a time-proven evaluation of the strengths, weaknesses, opportunities and threats of a business venture. Only one person replied in the affirmative.

He agrees that new mediums, including web blogs, chatrooms and search engines such as Google, are transforming the delivery of



**KIDDING ASIDE** SumoSalad's spoof on McDonald's "inner-child" ad

the marketing message. The fundamentals, however, remain intact.

"Marketing hasn't changed ... (but) some of the tactical implementation of it has changed."

Lima advocates four marketing essentials: ask customers what they want; set objectives relating to sales, costs, target markets and personnel while ensuring they are relevant and measurable; adopt a broad marketing strategy and outline the tactics to achieve it; and constantly evaluate the success or otherwise of any marketing plans.

"The real weapon that you have is your mind," he says. "Your ability to be creative will give you an edge over bigger companies."

## FLASH REVENUES

A PricewaterhouseCoopers survey shows that internet advertising revenues hit \$US7.9bn (\$10.13bn) for the first half of 2006, a 37% rise on the corresponding period in 2005. It is a clear sign that marketing strategies must move with the times.

Roger James, chairman of the Australian Marketing Institute, has no doubt that mobile phone-driven SMS and internet use will

redefine marketing. James notes that ads such as the Carlton's Flashbeer promotion develop an online life of their own in a throwback to a one-on-one marketing experience.

"It's almost like a personal interaction ... so what we talk about as mass marketing is being changed radically by these new marketing channels."

James warns, however, that such new channels come with few of the controls of traditional TV and print ads. Content can quickly appear on sites such as YouTube without copyright approval and may be used to ridicule companies.

"There are some real challenges with the way that the internet is being used for these

## CASE STUDY CAMERON COOPER

# Mussel man

A Tasmanian producer has won over the big-city chefs with a mollusc shaving kit and a bottle of beer.

**T**HE PERCEPTION that mussels are a poor cousin to oysters cuts no ice with Phillip Lamb.

With new technology and an award-winning promotional campaign, the managing director of Tasmania's Spring Bay Seafoods is dishing up succulent mussels to elite restaurants across the nation.

In the past, chefs often shunned mussels because of "beards" that made them difficult to prepare, says Lamb, while at markets they were crammed in ugly fish bins with some ice on top. "You had a series of things that didn't present well."

Investing in de-bearding technology to produce a clean-shaven, ready-to-use mussel was the first step. Next, Spring Bay had to get the word out, so Lamb enlisted marketing agency Red Jelly to develop a

campaign. A kilo of Spring Bay mussels was sent to 250 chefs and food writers inside an Esky, together with a razor, a DVD on de-bearding and a bottle of Tassie beer.

"It hit a spot because no one had ever done that before in our industry and it was really personal," Lamb says. "I guess it goes back to exploiting the market's needs, which was a marketing 101 thing."

Sales have climbed from 200 tonnes a year to 880 tonnes over three years, and Spring Bay Seafoods last year won gongs for best new product and overall marketing program of the year at the Australian Marketing Institute awards, beating the likes of Telstra, the Commonwealth Bank and Bluescope Steel.

Lamb says the promotion cost Spring Bay less than \$25,000. It was crucial to pick the right marketing partner "because



**SMOOTH SALES** Phillip Lamb is changing eating habits by selling his seafood with shaving instructions

they understood that we weren't bringing a huge budget to the table they got passionate about what we were trying to do".

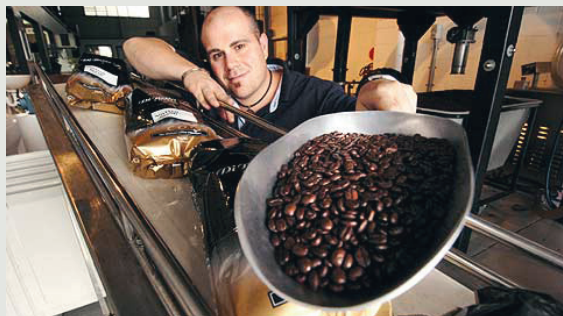
Lamb says a new marketing campaign is being planned for later this year.

"Once you raise the bar you've got to keep raising the bar and that's the challenge for us."

## CASE STUDY CAMERON COOPER

# Bean counter

A Queenslander has turned his love of coffee into a fast-growing business by sharing his passion.



**FULL OF BEANS** Phillip Di Bella likes to demonstrate his barista skills

**S**ETTING UP his Brisbane coffee roasting factory in 2002, Phillip Di Bella knew there was a gap in the market. A SWOT analysis – testing a business's strengths, weaknesses, opportunities and threats – of three market rivals underlined his confidence: one had great brand recognition and service but inferior beans; the second had a great product but was poorly marketed; and the other had great service but an average product and minimal branding.

"It's all about competitive advantage. It's about filling a void," says the founder of Di Bella Coffee. "If you look at an industry that's perfectly serviced, it's going to be very tough to break into the market. The coffee industry wasn't perfectly serviced."

A coffee devotee from age 11, Di Bella boasts that while his company may not lead the market in all categories, it has strong branding, great coffee, excellent service for cafe owners, and beans are delivered at a competitive price. Another key point of differentiation is that his beans suit an Australian market that predominantly drinks coffee with milk, rather than the black coffee most Europeans prefer.

Di Bella Coffee today supplies more than 600 cafes around the country, and debuted at No. 23 last year on the *BRW* Fast 100 List of Australia's fastest-growing SMEs. With a marketing budget of "bugger all", Phillip Di Bella has tried some television advertising, but educating the market has been crucial to the company's success.

"People like to touch, smell, see what's going on and be a part of it," he says.

When visiting cafe owners, Di Bella makes them a coffee using their own beans to show them his skill as a barista; then he makes an even better brew with his own coffee. Sales have soared. To encourage recognition, he teaches about 200 visitors a day about different coffee blends at his Bowen Hills factory, and attends farmers' markets to ensure the public tastes his coffee and then goes looking for it in cafes.

Di Bella also sells his passion, and believes it ensures cafe owners don't switch bean brands solely for price: "I have been able to market my passion for great coffee, for great service and have great branding. People know that that [my service] is going to be continuing because I have a passion for it."

personal sites. So it's not all blue sky – there are some dark clouds as well."

At the Melbourne Business School, Mark Ritson says search engine Google is having "a genuine revolutionary impact on the market" through its ability to auction off branding opportunities to the highest bidder. It has eliminated barriers to business entry and given SMEs the scope to attract customers online, provide information on business offerings and take orders.

He predicts Google will extend its auction model to traditional offline advertisers this year.

"If they do that then what that means is the typical SME will have as much access to the world of communications as any of the big multinational players."

## HITTING THE TARGET MARKET

While advertising channels are changing, innovative marketing options still have to be appropriate for their target audiences.

"There's no point using SMS marketing or viral marketing with mums at home because they are not using SMS yet," says Jane Toohey, a partner at Marketing Angels, a marketing consulting firm for small and medium-sized businesses.

She adds that with Generation Y "you've got to be really clever because they've seen it all and you've got to draw them in with something special".

Toohey says the biggest mistake novice marketers make is the failure to communicate a clear business message. "People try to put too many messages in. It's got to be very clear what it is you do and who you want to talk to."

Toohey has admired the SumoSalad campaign as an outsider and believes it is a strong example of an integrated marketing approach using a combination of viral, ambush, public relations and traditional advertising techniques.

"People have been talking about integrated marketing for about 10 years but it's only really now that people are putting it into play."

At SumoSalad, the send-ups of McDonald's and Krispy Kreme show how far the franchise has come since Baylis and Miller opened their Liverpool Street store in the heart of Sydney's CBD in 2003 and called on a friend in a sumo suit to entice customers. The sumo suit is still in use but has been complemented with more sophisticated marketing strategies.

Armed with knowledge about its customers, SumoSalad adopts state-based menu and marketing promotions: for example, spoil-for-choice Melbourne receives a message about food quality, whereas sunny Queensland gets health-based information.

Baylis says the marketing key for SMEs is to keep reinventing themselves: "You might go with an angle for six months, but if you keep flogging it, it becomes a dead horse. So every six months we try a different strategy, [but one] that's still consistent with our brand ... It's a way to tap into different demographics." ●