



MAGNOLIA SOLUTIONS

NANCY GEORGES 'THE RETAIL MISS FIX-IT'

Consumer Behaviour :: Changing The Way We Do Business

The rules are different and the playing field has totally changed leaving business owners with the options of adapt or perish. Australian business owners have never had to be as skilled as they need to be today; education, knowledge, skill and marketing prowess, are all needed by business owners.

There are so many challenges for businesses today, as well as topics that can be written about them, but I thought I would start at the beginning. The need to change and adapt and the shift that needs to occur in the outlook and the thinking of the business person / owner. Business in 2011 is not for the timid or not brave.

Businesses must put a bigger focus on Marketing and ensure that their Marketing Manager (or external consultant) is across the entire business. Business owners need to understand the entire scope of marketing and think more like marketers and less like 'the accountant' or 'the HR manager' or 'the production manager' or 'the sales manager'.

The biggest change of all is the connection the consumer has with brands and businesses, thanks to the internet and technology. This in turn, has resulted in innovative businesses using the tools at their disposal to connect with their customer: technology, the web and social media.

We need to stop and take stock of a couple of things here:

- technology allowed connection
- the consumer uses the technology to connect with their favourite brands and businesses
- it was not necessarily the big brands and big businesses that were the first adopters of the technology but the innovative smart businesses who saw the opportunity
- consumers now expect ALL businesses to be where they are and to use the tools of connection – this is now the benchmark!

The new playing field means:

- o Physical locations are not the only place to meet the customer
- o A business no longer needs a physical location to operate
- o The customer is no longer within a certain geographical area
- o Communication is more important than ever before
- o Small businesses can take on big business
- o Consumer now drives the market
- o Business owners need to know more about their customer and cater to their needs or they will lose them
- o Business owners must keep up to date and learn new skills

The last one is one that I have been actively involved in for the past 2 years and one that causes me the greatest concern. After working with businesses in the USA and Europe and came to the conclusion that Australian (small or as I like to say Independent) business owners are far less skilled and far more apathetic than their overseas counterparts.

In the past, our geographical isolation meant that consumers' only option was what was offered to them, where else would they go?? Now they can 'shop the world' and can source (or develop) what they want overseas if they can't find it here. Australian business owners are now viewed with their international competitors and must therefore step up.

In the same way I have observed the difference in the level of businesses internationally, I have also observed the difference in the support given to independent business owners primarily from the government as well as the consumer. We didn't have the courses or educational program that was available to USA businesses. Consultants were not used or in fact readily available, so business owners didn't really have anywhere to turn to get this skill or education.

Happily the awareness is changing. However, the adoption by businesses is still much slower than it should be in my opinion. Businesses are running out of time, they really are. Consumers will be reaching saturation point in the not too distant future and if businesses are not on their radar then they will miss the opportunity. In addition, the amount of tools and skills they need to learn about, is increasing exponentially daily!!

This is not a small undertaking by any means but as with any educational process, the effort up front will pay dividends in the end. I don't think it is the natural state of being for business owners to learn and keep informed but it will need to be. Finding information is easy, sorting out what they need to know is the tricky bit!

So what are the minimum requirements for every business?

1. Website
2. Shopping Cart (if applicable)
3. Database
4. Newsletter / Communication Campaign
5. Social Media

Let's look into these with a little more detail here and in future posts I will go into them further:

1. Website

In the past a website and subsequent e-commerce platform, or shopping cart as I like to call it, were over priced and were out of date as soon as they were finished.

Today open source platforms like [WordPress](#) and mini-blogging sites, like [Tumblr](#), have created instant website and an easy and cost effective entry level to websites creation.

Consumers expect a business to have a website, if they don't find one, they will judge the business badly. Remember, they will be on the web when they look for your site, if they don't find it they will simply Google similar and go to your competitor.

Some tips:

- Avoid the over priced programmer who is out-of-date and says that Open Source "was created by hacker".
- Only look at websites built on open source platforms so that they are future proof. This will also ensure plug in and sharing tools, social media links and whatever is around the corner!
- Start small and simple.
- Make sure all content can be updated by the business owner, moving forward – beyond the set-up.
- Imperative elements:
 - o Blog
 - o Signup form so that visitors can join mailing list
- The website is the central hub, this is where all roads lead.
- Make it easy to connect with you elsewhere; physical location as well as social media sites – don't make the visitor work or have to search.

2. Shopping Cart

If a business sells ANYTHING it **must** have a Shopping Cart so that the customer / visitor can purchase.

Remember, this is the consumers' expectation now – they want to buy when they want to, not when the door is open. If there is no cart then the expectation is not met resulting in a disgruntled customer not wanting to connect or to do business.

The connection between online and offline is seamless, we no longer think of them as one or the other but the same thing. A customer can purchase online and pickup offline or purchase offline and pay online and have it shipped or pick it up – see? No seams!

A perfect example happened to me a couple of months ago; I was wearing a silver rose ring to a family dinner. My 20 year old cousin loved it, tried it on and as soon as I told her the brand, she was on her iphone on the website. She was really annoyed that the site did not have a shopping cart! She would have bought it there and then. Instead she Googled similar rings and tells me she purchased similar (although not as nice as mine I'm told) but was really annoyed with that business!

M-Commerce, Mobile Commerce, is now a force to be reckoned with and early adopters are reaping the rewards. Consumers are connecting on the move and with the adoption of smart phones and tablets this is becoming easier and faster.

Have you seen this month's **Shop Till You Drop?** EVERYTHING in the issue is available online. This is powerful, the power of shopping online. We have seen this creep into the fashion and shopping pages. Imagine being one of the brands that is regularly in Shop Till You Drop and you have ignored the need for online shopping, you wouldn't be in this issue!

3. Database

Businesses are now building a community not just a 'list'. Your community will support you and share what is happening in your business with their friends.

Records need to be kept and maintained not just of first names and email addresses but location, preferences etc so that you can target your communication. There are a lot of great programs to use. As I said above, start smart and small.

Mailchimp is a great tool for this and it's free for a beginner level. Mailchimp creates the signup form that gets plugged in to the website so that data is directly placed into the database saving time and removing chance of error. It has a good basic newsletter program too.

Visitors expect to be able to sign up for updates on a website, so don't disappoint them!

4. Newsletter / Communication Campaign

I do not do anything without a strategy, no business should. A sound strategy will ensure growth and a step by step guide as to how objectives will be achieved.

Communication is used to build authority and show the customer that they are dealing with the leader in their field.

Customer communication must be the same, it must flow from one communication to the next and be seamless and consistent across the entire business. What is in the newsletter must be in the physical business, online and in the mailout as well as in any social media utilised.

5. Social Media

Both the most fun and the tool that scares most business owners the most!

I love social media, I use it every day with every client, I got my Mother into social media (yes twitter as well) and I am a co-founder of [Social Media Women](#).

The impact on [SEO ranking](#) of social media is increasing and cannot be ignored by businesses.

I am constantly asked how long a person should spend on social media and my response is always the same, "If you are learning something new how long do you spend on it? Once you have mastered the basics, then plan the same time for social media as a marketing program or new business development". It must be part of the business but not the entire activity.

It really does depend on the type of business as to which to use and how best to use it. This is a starter guide and one that I will go into depth more in following articles:

- **Blog**
 - a must for every business, think of your blog as the business' magazine, be your own magazine editor!
- **Facebook**
 - every business can connect with a large market with over 500 million active users
 - businesses simply have to be here because this is where their market spends a lot of time
 - the ease of sharing of information amongst users means that when a business does find its target they will share with like minded people (their friends)
 - great for consumer products
- **Twitter**
 - Communicating in 140 characters and has its own rules
 - Not one I would use first
 - I use it as a traffic cop, to send people where I want them
- **You Tube**
 - A picture tells a thousand words
 - The 2nd largest search engine after Google, people are searching for information here
 - I love this as a way to bring people online into the business
- **Linkedin**
 - Although not social media or strictly social networking it is online networking and a great tool for every business person and business
 - The functionality and tools being added make it a mish mash of twitter and Facebook as well as Linkedin
 - Now has business pages
- **New Geolocational sites**
 - Businesses are now able to target connected consumers within a certain distance from their business, more on these later

The fact that you are reading this means that you are an informed business person. Spread the word, learn new skills, as well as what the tools are and how to use them to ensure profitability and longevity for your business. Enjoy the ride!

About Nancy

As The Retail 'Miss Fix It' and the Chief of Ideas at Magnolia Solutions, I have drawn on my own experience of over 20 years in retail and with my first business Paper Magnolia, to help clients create integrated marketing solutions online and offline that are based on sound retail practices.

In 2009, I gave myself the challenge of finding a super low cost solution to get Paper Magnolia started selling online.

At the same time, I started to use this new 'thing' called Social Media with great results! In 2010 I co-founded Social Media Women and continue to support new social media users.

I hope my experience will help you start off on the right foot.

I work with retailers, manufacturers, brands and service-providers in various roles including external Marketing Manager. My focus is on Customer Service, marketing, new media, product, retail principles and retail as a craft. I utilise online and offline tools in a holistic approach. I am an avid user and participator in Social Media as an extension of my marketing activity.

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