

Why Small Businesses should invest online

(and why they don't already)

Online marketing has lowered the barrier of entry to compete on a larger scale for small businesses

Many small businesses begin their journey as problem solvers - spending years promoting their business within only a limited scope.

They develop habits such as mimicking their competitor's marketing strategies, only getting paid listings in local directories or worse yet - doing nothing at all.

The rise of online marketing and branding in the past decade has become the great equaliser for many small businesses.

The internet has allowed them to compete on a national and even global stage with industry leading companies on limited budgets.

Still, many businesses are trapped in an old world way of thinking and have yet to fully embrace marketing in this ever changing (and ever growing) digital landscape.

My name is Peter Macinkovic and I have spent years working as a digital project manager for a few web design agencies based in Melbourne.

This was until I found my true calling in Search Engine Optimisation - thus began my career anew helping businesses thrive in previously uncharted waters.

Now I spend my time consulting with clients on digital strategy by diagnosing problems that plague their online experience and delivering results that drive the focus back to growing the business.

In this whitepaper I will discuss three key areas on why small business should invest online:

- **Reach**
- **Measure**
- **Loyalty**

Reach

Increasing the visibility of your business online helps more customers find you – faster than ever before.

Google proudly boast that the Google Display Network (GDN) reaches 80% of all internet users¹.

With 4 in 5 people using local searches on Google search engine for local businesses², it's easy to see the value in investing online to reach consumers natively on the web.

Because of the psychological elements involved in a user's browsing habits and the intent behind certain search queries, it is now simpler than ever to identify users online that are open to being directly marketed to.

With the potential avenues for users discovering your company online being innumerable, many small businesses simply don't know where to start when beginning to reach their customers online.

Fortunately, there are some key channels to target to help get your business up and running to help real customers find you online.

Local Search Engine Optimisation

Local Search is one of the fastest and easiest methods to adopt in helping bring users to interact with your business online.

Techniques involve listing your *Business Name*, *Address* and *Phone Number* (NAP) in relevant directory listings in order to help local searches associate with your brand name.

Beyond free and paid listings, uses of *citations* are of the highest importance. A citation is a plain text version of your *NAP* in various content sources – beyond directory listings these could be as simple as a Youtube description or external blog post.

With proper optimisation of Google Places and other third party Tier-one web properties, your website can improve visibility tremendously on geographic search engines results – which are often higher valued users that directly contribute to your bottom line.

¹ "The Google Display Network (GDN) alone reaches 80% of Internet users in the US."
<https://support.google.com/adwords/answer/1704410?hl=en>

² "Google found was that four out of five people surveyed used search engines to conduct local searches."
<http://searchenginewatch.com/article/2343577/Google-Local-Searches-Lead-50-of-Mobile-Users-to-Visit-Stores-Study>

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Search Engine Optimisation

Users searching online for your business are a highly valued traffic source for targeting the right customers for your business.

Most searches online come with a certain level of intent that may be summarised as follows:

- **Curious:** The user is looking to be informed on a particular subject, product or service. These users are typically low-first time converters however may achieve a business goal in repeat visits.
- **Educated:** The user is already informed to an extent on the query and may be looking for a unique selling proposition to in order to become a conversion.
- **Intended:** The user knows exactly what they want to achieve immediately, such as performing a transaction.

Depending on the business goals, focusing on serving the user intent based on their search query may deliver results that helps generate leads and produce sales for the business.

Search Engine Optimisation (SEO) is the process of making your website as friendly, relevant and authoritative to search engines as possible.

[Good SEO strategy](#) helps the organic reach of your website by allowing users to naturally find your business via search engines.

Onsite Optimisation is the process of preparing your website to help search engines read and index pages to showcase in their results.

Common mistakes such as key pages not showing on search engines results is a tremendous lost opportunities for many businesses.

Creating compelling content that satisfies the user's search intent also helps your website compete for key terms whilst also serving users for their desired experience and maximising your conversion.

Lastly, how authoritative your website may also be the deciding factor for the more competitive terms.

The age of your website, profile of your business and quality of external links to your website will help give you the extra edge in reaching as much customers as possible.

Google Adwords and PPC Advertising

Search Engine Optimisation, whilst a great return of investment, may not yield results immediately or perhaps be too competitive based on your current website's status.

The ability to compete for specific terms is provided by major search engines via *Pay-Per-Click* (PPC) advertising – namely Google Adwords.

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Google Adwords and PPC Advertising (cont.)

[PPC advertising](#) on search engines as well as websites on the Google Display Network allows a greater control of budget and reach in order to achieve your business goals.

Because PPC advertising only deduct from your budget when a user clicks on your advertisement, campaigns can be optimised to produce a return on investment on scale.

In fact, as long as you may directly attribute a return on investment for a campaign, the allocation of budget for these positive ROI campaigns should be uncapped – otherwise your business would essentially be leaving money on the table.

Fine tuning campaigns for optimal return of investment requires knowledge and experience.

Due to the easy access to the Google Adwords campaign management, over 80% of PPC campaigns are performed by the business owners themselves.

Whilst great for Google from a revenue standpoint, many DIY-marketing businesses are in fact losing out by attracting less than optimal clicks that fail to return an adequate return for their business.

Lacklustre results and blown budgets may often lead businesses to feel jaded towards PPC advertising.

This is a shame because assistance from an Adwords Certified Professional would not only help keep budgets in control but remain results oriented to deliver the best return for the business as possible.

Content Marketing

The second most widely used search engine in the world in Youtube³.

With video, articles, podcasts and presentations being consumed by a wider range of audience, these networks are a great resource to funnel traffic to your business.

An investment in [content production](#) can help build your brand's status as an authority and as an industry thought leader.

It also has the additional benefit of functioning as a traffic source for your business.

On particularly competitive terms, it may be easier to rank a YouTube video for search engine results as opposed to allocating resources to a webpage that lacks authority.

³ “[..] YouTube achieved in less than a decade has made it the world’s second largest search engine”
<http://www.socialmediatoday.com/content/second-largest-search-engine-infographic>

Measure

Tracking the progress and effectiveness of your online campaigns is a key benefit of digital marketing.

Ever since Google released their Enterprise level Analytics product free to all users, the way we measure the value that a website or campaign provides has changed forever.

Antiquated analytics software were merely filters for server logs and provided 'hits' without the context of returning users as well as their behaviour.

Google Analytics has led the charge in data-driven digital campaign optimisation inspiring such fields as [conversion optimisation](#) and A/B split testing.

Modern analytics tools, whether paid or free, provide greater insights not only to your customer's behaviour but also how effective your digital campaigns and call-to-actions are.

This allows better allocation to resources and greater mobility to maximise campaigns and bring the most value to your business.

Applied analytics and measurement of results helps you know where you stand in the digital landscape and [make informed decisions](#) going forward.

Google Analytics

The greatest resource available to webmasters today is the Google Analytics toolset.

Google Analytics simple set-up, free cost and easy to use interface has propelled it as the 'must-use' tool for serious website data analysis.

However most inexperienced website owners use just a fraction of the tool's tremendous capabilities – basically using it as a glorified 'hit' counter like analytic tools of old.

Google Analytics provides Enterprise-level data analysis capabilities that allow you to:

- Set website goals
- Segment analytics data
- Integrate with Webmaster and Adwords tools to supercharge campaigns.

Under the skilled hand of a Google Analytics certified user the amount of tangible data that can be measured provides incalculable insights towards your business goals.

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Google Analytics (cont.)

Practical uses of Google Analytics would be best used with data segmentation.

An example would be [setting a Goal](#) on a page post-contact form submission.

Segmenting user data to find users who have visited your contact page but *failed* to submit the form are prime targets for future conversions.

Integration with Google Adwords [remarketing](#) tools would allow you to serve targeted ads to this segment of users as a form of 'follow-up' – making it an inexpensive yet high yielding sales and marketing tool.

Other practical applications of Google analytics may assist you in reframing the content and structure of your website as guided by analysed data.

Example: Only 5% of your users use the internal search function on your website. Yet, 25% of all purchases come from users who have performed an internal search.

An obvious adjustment would be to give greater prominence to the internal search bar.

Encouraging the user behaviour to perform a desired interaction that correlates to results can yield a great return for your business.

In fact, on average 10% of users performing an internal search typically lead to 50% of sales on an ecommerce website.

In the example provided, it's easy to see how design decisions driven by data could double sales for a particular area with relatively little physical amendments.

Not all business are based on emotional sales – business to business marketing often involves many points of contact whilst getting your audience to know, like and trust you prior to generating a warm lead.

Looking at analytics through a B2B website may show that 50% of users who submit a contact form are in fact repeat visitors – usually between their second to sixth visit on the website.

With this data in mind, a decision can be made to help change the call-to-action for first time users to one in which they may be informed (such as an e-mail opt-in) instead of just focusing efforts on the contact form goal.

With insights such as this, Google Analytics showcases its true value as a measurement tool.

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Conversion Optimisation

Conversion optimisation is another invaluable technique to best optimise the [individual steps of your sales funnel](#).

Whilst analytics tools such as Google Analytics provide great insights on a higher level for your business, the focus may be too broad at times to justify specific changes.

Conversion optimisation allows for a greater focus on smaller aspects of the process with multiple iterations that help measure the best result produced to achieve your immediate business goals.

The optimisation of conversion funnels often involves comparison testing between iterations of content, presentation or copy to see what minor improvements bring the best conversions.

For example, you may test between multiple variants of a sales page that feature different sales copy or button designs to see what percentage of your tested users respond the best.

Giving multiple variations to a small percentage of users with minor adjustments can give immediate, tangible results.

This is data-driven analysis applied to its purest form and can assist greatly prior to marketing at scale.

Why Business don't measure success

Old hat thinking in counting 'hits', not results, on websites often cause small business owners to misinterpret the value of data.

Data can be intimidating simply because without proper interpretation it can be both confusing and useless.

As often the case, small businesses tend to interpret the data personally with a do-it-yourself attitude without investing the time to learn the toolset necessary to [help identify the important factors](#) that brings success to your business online.

Understanding the true value of data – what your website is really telling you – can help propel a business from the digital wilderness into a savvy online marketing machine.

Misunderstanding the value of measuring success often creates unnecessary risk and produces wasteful effort when promoting your business online.

Whether it involves investing internally to track success metrics or getting external help from a consultancy one thing is clear: measuring data online is one of the key factors that give a business the extra edge they need to compete.

Loyalty

Delighting your customers not only helps achieve your immediate goals but proves to be fruitful in the long term.

Increasing the customer life cycle is key to growth in many industries.

Nurturing your customers loyalty leads to repeat business, increased referrals and an overall strengthening of your brand.

With the growth of distribution channels and sophistication of digital marketing techniques during the past decade it is more evident than ever to utilise the power of the web to improve the loyalty of your audience.

Online Reputation Management

If you are actively measuring your search engine visibility one thing that may be apparent is an increase in searches for your brand name during an external marketing campaign or event.

Over time users of the internet have utilised search engines as a mechanism to validate a product or idea that they are unfamiliar with.

Online price comparators and user contributed review websites additionally adds to the toolkit available to consumers to buy or bury your product and services.

An increase in revenue per 'star' rating on these websites⁴ helps showcase the importance of managing the reputation of a business online.

Controlling your brand image and reputation online is an arduous task – it is a message that is difficult to influence outside of web properties under your immediate control.

Few things are as disastrous to your public image than the first impression a potential customer gets when searching for your brand and stumbling upon a scathing news article from a reputable source – or worse; a swarm of negative reviews disparaging your terrible customer service.

The ability to manage the online reputation of a business is possible with a lot of dedication, hard-work and implementation of a consumer outreach policy.

Elements of behavioural psychology are also factors in executing a successful online reputation management strategy.

For example, take two customers who have had polarising experiences with your company. An email is sent to these customer three days after their purchase asking them to provide an online rating of their service.

The customer with a negative experience provides an unenthusiastic rating and could be directed to a contact form as well as a customer service number to voice their concerns.

⁴ "...the study shows that a one-star increase on Yelp leads to a 5 to 9 percent increase in revenue. Yet Yelp doesn't work for all restaurants." – *Harvard Business School*
<http://hbswk.hbs.edu/item/6833.html>

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Online Reputation Management (cont.)

With this mechanism the customer's need to have their voice heard satiates their dissatisfaction: the customer's unpleasant interaction remains within the confines of the business and will drastically reduce the likelihood of damaging the perception of the brand – online or otherwise.

For the customer with the delightful experience, when submitting their positive feedback the survey may then politely ask to spread the word on various external websites.

Providing links and instructions for these users to rate your business highly on services such as *Google My Business, Yelp* and *True Local* not only improves the reputation of your business online but also increases the visibility of your business for future prospects.

This form of management extends to every phase of your business – not only online.

A simple business card provided to customers with information on where to voice their grievances and where to share positive feedback is an easy enough tactic to manage reputation that any business can set up on their own without any external consulting.

Actively managing your customer service strategy not only improves the likelihood of repeat business from existing customers but also tangibly improves your ability to win the business of new customers.

User Experience Design

Designing for the user experience isn't a new concept in product design but its adoption to the web took some time.

Not being able to see the forest from the trees can hurt your business during the web design process – narrowing your focus, solving the wrong problems and achieving the wrong business goals.

Investment in user experience design can not only improve the service provided to customers – it may also enhance the trust a user associates to your brand and helps streamline the sales process; improving revenue and contributing the bottom line.

For small businesses it is easy to see why the barriers of entry are high for investing in user experience – the process of interviewing customers and [analysing results](#) requires a heavy investment in time, money and expertise that is usually outside of their immediately available resources.

However once businesses see the value of user experience design potentially contributing to the business strategy for years following the process, the prospect of gathering insights on the customers desires, wants and needs prove to be an invaluable investment.

Doing [user experience design right](#) involves a hybrid method of applying best practices, understanding your customers and continuous testing of results.

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User Experience Design (cont.)

One of the primary concerns prior to building a website is to [ensure that the information architecture](#) is intuitive and logical for the end user.

A frustrated and confused user leaves a bad impression and ultimately damages your business.

One principal technique to measure how well the information of your website is structured is to use card sorting⁵.

Card sorting involves subjects sorting content written on cards into piles in order to identify natural patterns and relationships between information available on the website and how it may satisfy a user's intent.

Usability testing for IA involving both card sorting and reverse-card sorting not only brings out the most clear user path on your website, but can be cost effective.

In fact, testing 3-5 users helps provide insights to over 75% of usability issues⁶ on your website.

It is also more cost effective test 3-4 groups of 3-5 people rather than 20 people at once to measure progressive results of usability changes to your website.

During the [rapid prototyping](#) and [implementation planning](#) process, it is better to survey participants upon completing iterations of the website development.

This will allow your website design to shift as the decisions you make change the overall user journey of the website for the better.

Focusing on the user experience will help delight your users – delight being the unexpressed need; solving a problem that the customer didn't know they have.

A delighted user has a greater aptitude to know, like and trust your brand than a frustrated user; who would be more prone to seek your competition based on a superior experience – not necessarily a superior product or service.

⁵ <http://www.usability.gov/how-to-and-tools/methods/card-sorting.html>

⁶ "Why You Only Need to Test with 5 Users" – Jakob Nielsen, *Nielson Norman Group*
<http://www.nngroup.com/articles/why-you-only-need-to-test-with-5-users/>

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Email Marketing

Newsletter and email marketing has been a staple in digital strategy – with its value being as high in 2014 as it was in 2004; perhaps even greater.

A subscriber to your email list has essentially given your business permission to market to them directly.

Email marketing still remains the best ROI in all digital marketing⁷, edging out SEO, as a low cost and highly-targeted mechanism to deliver your company's message to your customers.

These great ROI figures are obviously influenced by the low-cost of mass mailouts for enterprise companies sending millions of emails per day however the figures are still impressive for small business marketing.

One of the great struggles a small business may encounter with email marketing is a small and unimpressive email list.

Without a proper call-to-action or clear incentive to subscribing an email list your business may not be communicating effectively the benefit of subscribing to an email list.

One cardinal sin that I have anecdotally seen is for small business failing to capitalise on their existing customer base.

A simple check-box during the checkout process or handing a flyer form to an in-store customer to fill-out is the easiest and most organic way to build a highly targeted organic email list.

Another method to effectively grow a list from the nascent stage to one of repute is with advertising.

The fastest method using advertising would be to purchase advertising with existing, yet related, email marketing lists.

These users are proven assets that will engage with your email campaigns and a steal based upon newsletter advertising rates.

In association with advanced analytics and data segmentation you can send targeted emails segregated by location, gender, age and even sophisticated metrics such as purchasing habits.

With a consistent electronic direct mail communication, customers remain continually engaged with your business and the message you want to send.

⁷ "On average, companies are attributing 23% of their total sales to the email marketing On average, companies are attributing 23% of their total sales to [...] email marketing..." – *Econsultancy*
<https://econsultancy.com/blog/64614-email-remains-the-best-digital-channel-for-roi>

Conclusion

With a proper digital strategy in place, investing online is not only a wise business decision but also a necessary one.

Businesses may be reluctant to invest online with a practical digital strategy mainly due to risk aversion.

They may lack familiarity with the online ecosystem, misunderstand the mechanisms of technology or simply not understand how their business is positioned online.

Once a business understands the value in managing the online footprint of their business then the investment of money, time and resources in applying a digital strategy becomes very justifiable.

Getting found online with search engine optimisation services amplifies business visibility and can help make sure that your brand is seen and heard.

Tactics such as Search Engine Optimisation, Local SEO, PPC Advertising and Content Marketing help reach large number of potential customers and can yield immediate returns for a business.

Measuring these efforts makes the most of your website and achieves business goals with conversion optimisation services that focus your funnels - bringing out the best from your customers.

Building long, healthy relationships with users by designing an experience that takes care of your customer's desires helps bring them coming back for more.

With a full tactical arsenal of practical and sophisticated digital strategies, built just for your business, the question is not: *Should we invest online?*

Considerations for self-education, hiring a consultant/agency or investing internally to grow your resources dedicated to the digital space should be based on the value for your business – not the cost.

Rather the question you should be asking is: *Why have we taken this long?*



Based in Melbourne, Australia, **Apex Action** is a digital strategy consultancy that leverages technology and applies practical thinking to help grow your business online.

About the Author

Peter Macinkovic is a digital strategy consultant based in Melbourne, Australia.

Spending years as a digital project manager for a few agencies working with clients such as Birkenstock, Secrets Shhh and Valco Baby has allowed Peter to see a variety of businesses thrive (and fail) in their pursuit to succeed online.

Now discovering his true calling in Search Engine Optimisation, Peter spends his time consulting with clients on digital strategy – helping them thrive in previously uncharted waters.

