An Objectives Driven Model for Online Marketing for Rural Small Businesses

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Overview

- Defining the problem
  - Existing Models
  - Issues and limitations with existing approach
  - Assumptions and preconditions for new Rural Online Marketing Model
- Introducing ROSIE
  - R → The Rural Small Business & Marketing Environment
  - O → Defining a Rural Online Marketing Objective
  - S → Picking a Rural Strategy and developing marketing content
    - New segmentation model for rural small businesses
  - I → Rural Tactics and Implementations
    - Picking media and Creating Content
    - Establishing Budgets for time, effort and expertise
  - E → Evaluate, Learn and Modify
- An example Local Rural Small Business Online Marketing effort → Market Street Coop
- Potential prototype implementations of the model
- Next steps?
Existing E-marketing Model

ESP

Source: E-Marketing, 7th ed., Judy Strauss and Raymond Frost
A Simpler (but not widely accepted) Online Content Model

Think → Create → Engage → Optimise → Think

Issues and limitations

- Working with existing eMarketing models requires marketing sophistication and expertise
- Existing eMarketing models are heavy on analysis and not action oriented
- Working with Online marketing requires marketing AND technology expertise
- Rural small business owners have limited time and money to engage in marketing efforts that do not produce tangible results
- Most published information for rural online marketing is tool/medium concentric i.e. *How to use Facebook for small business marketing*.  
  [http://www.marketingdonut.co.uk/marketing/online-marketing/social-media-and-online-networking/how-to-use-facebook-to-promote-your-business](http://www.marketingdonut.co.uk/marketing/online-marketing/social-media-and-online-networking/how-to-use-facebook-to-promote-your-business)
Assumptions for A Rural Small Business Online Marketing Tool/Model

- Technology Agnostic
- Rural Specific
- Simple to understand and implement
  - No reliance on marketing or technology professionals on staff
- Low to no cost
- Self-Contained
- Portable
- Industry/business Agnostic
- For Place-based businesses → not for pure-play eCommerce
Rural Online Marketing Model

Model influenced by the works of Rob Stokes and the Minds of Quirk
Rural Online Marketing Model

Repository of Verified Online Marketing Tactics
• **Recognize** your *Rural* Online Marketing Strengths, Weaknesses, Opportunities and Threats

• Define a realistic **Objective** including any constraints (budget)

• Develop a doable **Strategy**

• **Implement corresponding tactic(s)** using online marketing media tools

• Evaluate, Learn & Modify
Rural Small Business Marketing Strengths

- Connection between the small business and the rural place (geography, natural resource, cultural, historical, and/or social)
- Small business ownership is a life style choice
- More likely to be family owned
- Limited (or pre-defined) competition in many market segments
Rural Small Business Marketing Weaknesses

- Limited eMarketing professional services available
- Limited company resources (especially time)
- Owner/manager less likely to have a college education
- Extremely limited published Rural Marketing knowledge base
Rural Small Business Marketing Opportunities

- Growing “Shop local” trend
- Increasing Rural Broadband access
- Increasing Smart Phone Use in rural areas
- Ecommerce
- Rural Immigration trend
  - Local Economy based
- Repatriated population trend → older, more experienced, and more affluent → Brain and Resource Gain
Rural Small Business Marketing Threats

- Advanced use of Social Media content for informing consumer purchase decisions
  - Online reputation matters!
- Ecommerce
- Static or declining local economy
- Rural out migration → youth Brain Drain
- Population (Market) decline
- Median income decline
Defining a Realistic Online Marketing Objective

- Need three components
  - Measurable goal
  - Time line
  - Budget (Resource constraints)
    - Time
    - Money
    - Technical Skill Competence level

- Examples
  - Increase Summer 2015 sales revenues by 10% with an 5% increase in May, June and July marketing expenses with limited technical skills required
  - Double the number of reviews on Yelp by end of Year with no $$ expenditure and no more than 2 hours per week effort from an experienced online marketing person
Selecting a Strategy

- In the traditional marketing approach, strategic selection is done through market opportunity analysis using:
  - Segmentation
  - Targeting
  - Differentiation
  - Positioning
  - Based on two dimensions; scope and basis for value proposition
  - Rural has a fixed number of known marketing segments → simplifies strategy choices and defines scope in the Porter Model
  - The only other choice is whether Commodity (Price/Cost) or Boutique (Differentiation) Marketing defines the value proposition
Rural Consumer Market Segments

- Local people that live locally (Locals)
  - Tendency to Homogeneity
  - Older, many on fixed income (stuck in place)
  - Important (and growing) Sub-segment → repatriated locals with greater resource base

- Local people that live away (Expatriated → Ex-Pats)
  - Younger, raising families, may have older relatives living locally
  - Left for better economic or life-style opportunity

- People from away that live locally (Immigrant)
  - Demographics of immigrant populations is dependent on local economy... professional service, tourism, manufacturing and/or agriculture based.

- People from away that don’t live locally (Visitors & Tourists)
  - Demographics based on the event or resource that is the basis for their visit (communities of interest)
Porter’s Generic Strategies

Model modified from Michael Porter, *Competitive Strategy*, 1980
Implementation (tactics)

- Six Components (parameters)
  - Content Clues (how to craft the marketing message)
    - Matched to Strategy
  - Medium (the online marketing tool used)
    - Owned online media
    - Earned online media
    - Paid online media
  - Budget (constraints)
    - Cost → High, Medium, low
    - Effort → High, Medium, Low
    - Technical Skill → High, Medium, low
  - Frequency → One time, Cyclic, Continuous
  - Strategic Alignment
    - Scope → Locals, Immigrants, Ex-Pats, Visitors, All, Any
    - Value basis → Cost, Differentiation, Both
  - Metrics for evaluations
3 types of Online Media

- **Owned**
  - Marketing messages are conveyed on Online Media that is owned or directly controlled by the company. Company has total control over content and channel.

- **Paid**
  - Marketing messages are conveyed on Online Media is owned by others who are paid by the company to convey the message. Company has limited control of content and no control of channel.

- **Earned**
  - Marketing message conveyed on Online Media that is not controlled by the company. User (consumer) generated content that reflects positively or negatively on the company. Company has no direct control over content but can influence its production and has no control over the channel.
Source: E-Marketing, 7th ed., Judy Strauss and Raymond Frost
# Example Tactic (Simple)

<table>
<thead>
<tr>
<th>Tactic</th>
<th>Register Business with Google Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Content Clues</strong></td>
<td>Provide Name, Logo, Pictures of business, locations, products/services, Hours of operations, Phone number, email, web site url, FaceBook URL and any other content that conveys your intended marketing message. Content should be reflective of cost leadership, differentiation or focus strategy.</td>
</tr>
<tr>
<td><strong>Medium</strong></td>
<td>Owned &amp; Earned (reviews)</td>
</tr>
<tr>
<td><strong>Budget Cost</strong></td>
<td>Low</td>
</tr>
<tr>
<td><strong>Effort</strong></td>
<td>Low for Owned</td>
</tr>
<tr>
<td></td>
<td>High for Earned</td>
</tr>
<tr>
<td><strong>Technical Skills</strong></td>
<td>Low</td>
</tr>
<tr>
<td><strong>Frequency</strong></td>
<td>One-Time for Owned</td>
</tr>
<tr>
<td></td>
<td>Continuous for Earned</td>
</tr>
<tr>
<td><strong>Strategic Alignment Scope</strong></td>
<td>Any</td>
</tr>
<tr>
<td><strong>Value Basis</strong></td>
<td>Both (depends on Content)</td>
</tr>
<tr>
<td><strong>Metrics</strong></td>
<td>Number of Followers</td>
</tr>
<tr>
<td></td>
<td>Number of Positive reviews</td>
</tr>
<tr>
<td></td>
<td>Ratio of Positive to Negative reviews</td>
</tr>
<tr>
<td></td>
<td>Number of Web Site hits referred from google plus</td>
</tr>
</tbody>
</table>

**Notes:** A Google Plus business page will show up in the first position when a consumer does a google search on the company name. Ref: https://www.google.com/business/
## Example Tactic (More difficult)

<table>
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<tr>
<th>Tactic</th>
<th>Get business on POI list of common automotive GPS systems</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Content Clues</strong></td>
<td>Most GPS vendors build their POI lists from the MAP vendors that provide them with map data. Common map data providers include navteq, nokia, and mapscape along with propriety data collection methods. (information based on interview with a senior Garmin software engineer) For Navteq use <a href="https://mapreporter.navteq.com/#dashboard">https://mapreporter.navteq.com/#dashboard</a> For Nokia use <a href="https://mapcreator.here.com/mapcreator/31.786427582245,44.322329,3,0,0">https://mapcreator.here.com/mapcreator/31.786427582245,44.322329,3,0,0</a> Most map data companies will also confirm business with Dun and Bradstreet so you need to get a D-U-N-S number <a href="https://iupdate.dnb.com/iUpdate/companylookup.htm">https://iupdate.dnb.com/iUpdate/companylookup.htm</a> Registering with Foursquare, yelp, trip advisor, google maps, bing maps, and other online locations services will also increase probability of being added to GPS POI list.</td>
</tr>
<tr>
<td><strong>Medium</strong></td>
<td>Earned</td>
</tr>
<tr>
<td><strong>Budget Cost</strong></td>
<td>Low</td>
</tr>
<tr>
<td><strong>Effort</strong></td>
<td>High</td>
</tr>
<tr>
<td><strong>Technical Skills</strong></td>
<td>High</td>
</tr>
<tr>
<td><strong>Frequency</strong></td>
<td>One-Time</td>
</tr>
<tr>
<td><strong>Strategic Alignment Scope</strong></td>
<td>Visitors</td>
</tr>
<tr>
<td><strong>Value Basis</strong></td>
<td>Both</td>
</tr>
<tr>
<td><strong>Metrics</strong></td>
<td>Can find business in a new car installed GPS system</td>
</tr>
<tr>
<td><strong>Notes:</strong></td>
<td>Other resources (unverified) <a href="http://www.gpsreview.net/add-business/">http://www.gpsreview.net/add-business/</a> <a href="http://www.expertgps.com/tutorials/how">http://www.expertgps.com/tutorials/how</a></td>
</tr>
</tbody>
</table>
Evaluate, Learn & Modify

- The value of a well defined objective allows for evaluation
- Known metrics for certain tactics
- If it is working, live it alone
- If it is broke, fix it
  - Change Message (content)
  - Change Medium and/or Medium type
  - Change Strategy
  - Change Objective
Market Street Coop
ongoing case study

- Combination Local Foods, Café, Local Arts & Crafts and Buying Cooperative
- Grand Opening June, 2014
- Hired UMFK Marketing Student Alisha Cote as Intern
  - Became permanent employee
- Goal 25% Gain in annual revenues for 2015 (second year of operations) → $300,000
- Online Marketing assets
  - Webpage
  - Facebook
  - Twitter
  - Google +, Google maps,
  - yelp
  - TripAdvisor
  - Email (in work)
  - GPS POI Lists (in work)
  - Local online newspapers
  - SEO (Number 1 positions in both BING, Google, DuckDuckGo for “Market Street Coop”)

On-line Marketing Efforts For Market Street Co-op
Possible ROSIE Implementations

- Model can implemented in several ways
  - Grid based text document
  - Spreadsheet with Macros
  - Stand alone database application
  - Online database application
  - Mobile app
- Next step to build a repository of tactics (with required components and parameters)
- Get funding to develop and test prototype
Questions?

Painting By Lulu Pelletier
Artist in residence, Market Street Coop

References.pdf