

# The Small Business **Online Marketing** Guide

## Tips + Advice to Grow Your Business Through Online Marketing



- Why you should be marketing online
- Case study: How Happy Hound gets 90% of its sales online
- 10 things you can do today to boost your online marketing
- Worksheet: How you can get started

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*Suzanne Golter of Happy Hound  
dog day care and boarding*



# Welcome

Every day we hear from business owners who think they need special skills to reach new customers online. Overwhelmed by the number and seeming complexity of online marketing options, they sit on the sidelines, eager to get in the game but confused about where to start.

Sound familiar? If so, this guide is for you.

Whether you're new to online marketing or just looking to do it better, the advice in this guide can help you reach your business goals. You'll learn:

- How many new customers you can find online
- 10 ways to use the Internet to grow your business
- How to measure your results
- How one small business gets 90% of its sales online
- Key terms and what they mean

We've also created a daily tip sheet filled with ideas to help you get started as well as marketing plans for four different types of businesses. Get started right away by filling out the worksheet to create an action plan.

As with anything else, practice and persistence will lead to online marketing success. We hope this guide starts you on the path to becoming an online superstar.

Sincerely,



**Brynn Zuccaro**

North America Business Marketing  
Google

## Why Your Business Needs to Market Online



### HOT TIP

See the *Key Terms* section for an explanation of online advertising terminology.

Did you know that 94% of consumers research products online before buying? Or that three out of five people use search engines as a go-to shopping resource?\*

There is no longer any doubt that buyers go online to research and purchase products and services. Companies that have websites and market online can reap the rewards of connecting with these shoppers.

**The hardest part of doing anything can be getting started, so create your game plan now to start getting the payback from marketing online. Here's how:**

### Set your goal

Online marketing can do many things for your business. Choose one or two objectives for starters. For example, do you want to drive visitors to your website, generate more foot traffic to your store or restaurant, or gather emails for a newsletter?

### Identify your target

Be clear about the buyers you want to reach. What do they care about most? What are their problems? Have they purchased from you before? Are they currently buying from a competitor? Also consider their gender, hobbies, location and other specifics; these can all help you determine the best ways to reach them, as well as the messages that will work best.

### DID YOU KNOW?

The good news for your business is that online marketing doesn't have to be complicated, time-consuming or expensive. Consider that:

- Online outreach often costs less than offline efforts.
- Launching new campaigns can be lightning fast - meaning that potential customers will see your campaign quickly.
- Changes and updates can be made instantly, usually at minimal cost.
- Measurement tools quickly show what's working and what's not.

\*Source: 2010 Compete Online Shopper Intelligence Study

### Learn about current customers

If you have a website, ask your current customers how they found it. If not, ask them where they go online now. This insight can help you focus your efforts.

### Check out competitors

Just because a competitor is doing it doesn't mean it works – but it might. Reviewing what your competition is doing can help you create your own unique approach.

### Set a strategy

Taking the time to think through your plan before you begin can dramatically improve your results. Choose one or two tactics that work within your budget, make sense for your audience and that you can commit the time to manage effectively. Many successful online marketers take a “test and refine” approach to get the greatest payback.

### Track your results

Online marketing makes it easy to measure program performance; take advantage of this by closely monitoring the response to your marketing programs. Increase your investment in the programs that work well and revise components of programs that aren't working as well as you would like to see how your program improves.



### SPOTLIGHT

Twiddy & Company Realtors ([www.twiddy.com](http://www.twiddy.com)) in Duck, North Carolina, wanted to increase the number of online bookings for its vacation properties. Using search advertising, they increased bookings 50%.



# 10 Ways to Use the Internet to Grow Your Business

From affiliate marketing to online classifieds, there are many ways to build your business online. Here's a look at ten popular online marketing options:



**1. Local listings and classifieds.** Create your business listing on listing sites such as Citysearch to ensure that consumers searching for nearby businesses find yours. Some listings allow you to promote offers such as sales and new products. Customer review sites are basically local directories like Yelp that allow users to express their opinions about businesses.



**2. Search advertising.** Search advertising is a method of placing online ads on Web pages near search engine results. With AdWords ([www.google.com/adwords](http://www.google.com/adwords)), you can deliver your message at the moment someone is searching for the type of product or service you offer. Choose keywords that relate as closely as possible to your offerings so you receive the most likely prospects. For CPC ads, you pay only when someone clicks on your ad.



**3. Contextual ads.** Contextual advertising takes display ads to the next level, by placing them on sites related to your offerings; for example, if you sell sporting goods, your ad may perform better on sports-related sites. Services are available that automatically distribute ads to sites based on the content of those sites.



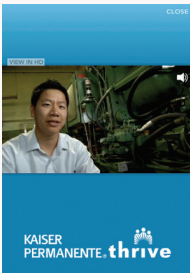
**4. Display ads.** You've probably seen the dancing aliens; that's a display, or banner, ad. Do-it-yourself display ad builders, including Google's AdWords display ad builder ([www.google.com/displaynetwork](http://www.google.com/displaynetwork)) can help design your ad. You can also distribute your display ad via ad networks and ad management systems.



**5. Geotargeting.** Geotargeting simply means advertising to prospects in specific locations – which could be very useful, for example, if you sell dresses only in Dallas. One way to get started is to create a listing on Google Places (<http://places.google.com/business>).



## SPOTLIGHT



This display ad is a great example of an effective video banner featuring small business owner Bud Duong. See other display ad examples at ([www.google.com/adwords/displaynetwork](http://www.google.com/adwords/displaynetwork))

## Online Ad Payment Options

FEE STRUCTURE	WHEN YOU PAY	COST PER LEAD
Cost Per Thousand Impressions (CPM)	When consumers see your ad, regardless of whether they click on it. CPM is the cost per 1,000 views of your ad.	\$
Cost Per Click (CPC)	When someone clicks on your ad.	\$\$
Cost Per Action / Acquisition (CPA)	When someone takes an action you want, such as downloading a white paper or buying a product.	\$\$\$



**6. Group buying.** Connect with new customers through programs that offer multiple buyers collective purchasing deals. There are many popular group buying sites available to use.



**7. Mobile marketing.** Many smartphones and mobile devices provide web browsing, GPS, cameras and video capabilities. This means you can develop creative promotions with text messages and location-based social networks.



**8. Social networking sites.** Cultivate new business through social networking sites where members share stories and recommend products and services.



**9. Affiliate marketing.** Affiliate marketing lets you get other businesses to drive prospects to your website. Some affiliates may allow you to set up a store on their domains, such as comparison shopping sites.



**10. Online videos.** Reach new audiences by posting videos on video-sharing sites. The best videos tend to be short (less than three minutes) and have an offer, such as a free copy of a report or a product discount, to motivate viewers to take action. MobileDemand is one of many small businesses with a YouTube channel to help spread company news and information.



### HOT TIP

Promote specific products in your ads. People who research model numbers online are usually closer to making a purchase.

# 10 Ways to Use the Internet to Grow Your Business

## Comparing Online Marketing Tactics

TACTIC	CHARACTERISTICS					
	Targeted	Flexible spending levels	Highly measureable	Supports graphics or video	Good for special offers	Can include customer reviews
Local listings and classifieds	√+	√		√		√
Search advertising	√+	√+	√		√	
Contextual	√	√	√	√	√	
Geotargeting	√	√	√			
Display ads	√	√	√	√	√	
Group buying			√	√	√+	
Mobile marketing	√		√		√	√
Social networking sites		√		√		√
Affiliate marketing			√	√	√	√
Online videos			√	√+		√

√ = *Effective*    √+ = *Highly effective*

### HOW MUCH SHOULD YOU SPEND ON MARKETING?

The amount varies by industry, business size and how much you want to grow your business.

The Small Business Administration and SCORE® (Counselors to America's Small Business) put it at between **2% and 10% of sales**.

Depending on your business model, you could spend half of your marketing budget on offline (print ads, brochures, telemarketing) and half on online (search marketing, display ads, mobile). The more online oriented your business is, the more you should consider increasing your online spending. Your return on investment (ROI) will depend on your offer and who you reach out to (current customers or prospects).



## Measuring Your Results

Online marketing generates a wealth of data to let you assess and refine your marketing programs. Start with these easy-to-track performance measures:



### Website analytics

Dig into your visitor data to see where your most promising leads come from. The quality of your traffic usually trumps quantity – for example, a referral site that delivers four buying customers may be worth more than one that delivers 50 window shoppers. Google Analytics ([www.google.com/analytics](http://www.google.com/analytics)) is a great place to start, and it's free.

### Clickthroughs

The basic measure of an online ad's impact is how many people click on it to visit your site. Clickthrough rates are often strongest with a compelling visual, message or offer, combined with placement on the right sites.

### Conversions

How many people who see your ads “convert” into buyers or take a specific action, such as subscribing to your newsletter? Take a look at your conversion rates to help determine which outreach efforts are most cost-effective.

### Phone Number Tracking

Using a unique phone number in your ads lets you see exactly how many calls your campaign has generated. Platforms like AdWords Call Metrics ([www.google.com/ads/innovations/callmetrics.html](http://www.google.com/ads/innovations/callmetrics.html)) make this easy by assigning a different number to each campaign. This feature, which lets you track calls by ad and shift your spending, provides clear evidence that online marketing can lead to real leads, customers and offline success.

### Landing pages

A landing page is any page on your website where traffic is sent specifically to prompt an action. For example, you might create different landing pages for different display ads. Landing pages let you customize your message and track program performance accurately. Keep the landing page simple — if you want visitors to buy, make that the focus of the page; don't distract them with newsletter links, webcasts, blogs, Facebook links or cute puppy videos.



### WATCHOUT

Changing your marketing tactics too frequently may diminish your long-term results.

## Tip a Day: Map Your Path to Online Success

Online marketing can make your head spin. There are countless options, experts, trends and changes. That's why we created this Tip-a-Day feature. Bit by bit, following easy-to-take steps, you can start marketing your company online or step up your current efforts.

	MONDAY	TUESDAY	WEDNESDAY
WEEK 1	<p><b>Get a website.</b> This may take more than 30 minutes. If you want a basic site, get started with a template from an online website development tool.</p>	<p><b>Claim your Google Places listing.</b> Put your business on the map with free Google Places (<a href="http://places.google.com/business">http://places.google.com/business</a>). Easily add photos, coupons.</p>	<p><b>Survey your customers.</b> Put together an online survey and find out what your customers think about your products, your customer service or whatever else you are curious about.</p>
WEEK 2	<p><b>Start a blog.</b> Blogs are a great way to demonstrate your expertise and start conversations with all kinds of visitors – who may become great customers.</p>	<p><b>Simplify the shopping process.</b> Many sites make it difficult for shoppers to complete basic tasks. Have others test your site and fix what they point out as stumbling blocks.</p>	<p><b>Test paid search.</b> Set up a Google AdWords account (<a href="http://www.google.com/adwords">www.google.com/adwords</a>) and create a search ad. Include prices, special offers and unique selling points.</p>
WEEK 3	<p><b>Begin an affiliate program.</b> To start an affiliate program, you will need tracking software or outsource it to a third party like Google Affiliate Network (<a href="http://www.google.com/ads/affiliatenetwork">www.google.com/ads/affiliatenetwork</a>).</p>	<p><b>Launch an email newsletter.</b> Update your customers with important company news and industry events. Online email services can help you get started.</p>	<p><b>Know your customers.</b> Google Analytics (<a href="http://www.google.com/analytics">www.google.com/analytics</a>) can help you measure your program response and track your Flash, video and social networking sites and applications.</p>
WEEK 4	<p><b>Build a forum.</b> Offer advice and tips to build trust and generate sales. Set up your own message board with standard software or try a hosted forum service.</p>	<p><b>Add a sitemap.</b> Sitemaps help make sure the search engines look at every page of your website. You can also submit an XML Sitemap to Google (<a href="http://www.google.com/webmasters">www.google.com/webmasters</a>).</p>	<p><b>Use clear navigation.</b> Step back and look candidly at your site. Can first-time visitors find the information they're looking for? If not, change it.</p>

Plan on 30 minutes or less a day. Over the course of a month, you will be surprised at how much you accomplish!



THURSDAY	FRIDAY	SATURDAY / SUNDAY
<p><b>Offer freebies.</b> Offer a free bonus with an order to anyone who buys from you. If you sell to other businesses, a free special report can boost your credibility and drive sales.</p>	<p><b>Get social.</b> Use social media sites to connect with prospects or customers in your target demographic by sharing information and engaging in conversations.</p>	<p><b>Create a banner ad.</b> Use Google's AdWords display ad builder to create your ad (<a href="http://www.google.com/displaynetwork/">www.google.com/displaynetwork/</a>); then place it using an ad network.</p>
<p><b>Review your "About Us" information.</b> Does yours say who you are and what you do in easy-to-understand language? If not, change it.</p>	<p><b>Add on-site product reviews.</b> Let your customers rate your products or solicit testimonials from past customers.</p>	<p><b>Use your email signature to sell.</b> Don't let your emails go to waste. Include the URL of your website or sales page in your signature (sig) file.</p>
<p><b>Add site search.</b> Help visitors find what they're looking for by adding a search function like Google Site Search (<a href="http://www.google.com/services/websearch.html">www.google.com/services/websearch.html</a>).</p>	<p><b>Sell the benefits.</b> Look at how you describe your products or services. Does it say how it solves a problem? Remember: People buy results not products.</p>	<p><b>Get listed.</b> Like the phone book, online directories can help categorize your products and make it so others can easily find your business.</p>
<p><b>Record a video.</b> Use short (two-minute) videos to explain how to do a task that relates to your business. Post your video on YouTube (<a href="http://www.youtube.com">www.youtube.com</a>).</p>	<p><b>Get involved.</b> Get active in your small business community – your chamber of commerce, local events or other networking opportunities. Online networking services can help you network and plan meetings.</p>	<p><b>Make an e-book.</b> Combine several of your articles into an e-book and give it away. You need a word processing program that turns a document into a PDF, or use an online self publishing service.</p>

## Case Study: Happy Hound Gets 90% of its Sales Online



Suzanne Golter

### SITUATION

- New business needed to attract customers
- Owner wanted effective online marketing that she could manage herself

### OUTCOME

- Google AdWords delivers 90% of customers
- Success offers blueprint for second location

When Suzanne Golter opened her dog day care and boarding business in an Oakland, California, warehouse in 2004, she knew she had a cheerful and healthy space for dogs. Happy Hound featured innovations like a state-of-the-art ventilation system, and a webcam so owners could check on their pets. Now, Golter just needed customers. As a one-woman show, spreading the word had to be something she could manage by herself.

### Action

Golter knew that many potential clients would search online for a service like hers, so she created a Google AdWords account and began posting short ads. “I set up my primary means of advertising in one sitting,” she says.

Golter first used AdWords’ geographic targeting to cast a wide net, but she quickly scaled back to focus on the Oakland-San Jose area. She also tried an email newsletter and ads in national dog-related magazines, but found that they didn’t perform as well.

Golter also claimed her Google Places page and updated her information, and she likes to use social media to interact with customers. She posts photos of dogs and promotes Happy Hound events and fundraisers on social networks and she has received dozens of customer reviews on online review sites.

### Results

Today, Happy Hound is filled with dogs, and Golter has a long waiting list. AdWords accounts for 90% of her business, bringing in about 40 new clients each month. “AdWords helped me grow so quickly here, I know that when I expand, it will help me fill my next facility,” she says.



### HOT TIP

Go online and watch the Happy Hound video and other success stories at: ([https://www.google.com/intl/en\\_us/adwords/select/success.html](https://www.google.com/intl/en_us/adwords/select/success.html))

## Online Marketing: Something for Every Business

Online marketing success stories can sometimes leave a small business owner wondering if it would really work for them. What if you don't have a website — can you still reach customers online? What about online-only companies? Fear not. With all the online marketing options available, one (or more) is likely to help almost any business. Here are strategies to help four particular kinds of businesses. Use them to help start or improve your online marketing efforts.



### STOREFRONT BUSINESS

*Main Street is full of companies with a prominent storefront and no website. Gift shops, restaurants, wine stores and other storefront businesses can use an online presence to drive offline success. Try:*

1. Claiming your Google Places page.
2. Promoting your business on customer review sites.
3. Creating a blog.
4. Offering incentives for location-based activities, such as visiting your store multiple times.

### LOCAL BUSINESS

*Traditional companies – plumbers, real estate agents and the like can gain loads of payoff from online marketing by making it easy for customers to find them. Try:*

1. Claiming your Google Places page.
2. Submitting your site to online directories. Don't forget any trade organizations you belong to.
3. Using social media to connect with target customers and prospects.
4. Setting up a search advertising account and place a geotargeted ad.

### ONLINE-ONLY BUSINESS

*Online retailers can spread the word about their offerings, stay connected with customers and keep traffic flowing in the virtual door with online marketing. Try:*

1. Creating a blog.
2. Sending a newsletter.
3. Making a banner ad and place it on an ad network.
4. Starting an affiliate program.

### ONLINE & OFFLINE BUSINESS

*For businesses that are online and offline – think a bed and breakfast or a toy store – the sky is the limit for attracting business and connecting the two. Try:*

1. Claiming your Google Places page.
2. Collecting email addresses from physical visitors to start an e-newsletter.
3. Distributing online coupons through your website.
4. Setting up a search advertising account and place a geotargeted ad.

## Key Terms

**Ad Network** An advertising company that connects businesses wanting to run ads with websites that will host ads. Ad networks sell and serve most banner ads. **Affiliate Marketing** A marketing tactic in which one company pays another for each visitor or customer brought by its marketing efforts. **Banner Ad** A type of ad, usually with graphics, that appears on a web page and links to an advertiser's website. **Clickthrough Rate (CTR)** The number of clicks an ad receives divided by the number of times the ad is shown. **Contextual Advertising** A type of advertising based on the content displayed to the user. **CPA, CPC, CPM** Cost per action / acquisition (CPA) is an online payment model by which advertisers pay for each action completed because a visitor clicked on their ad. With cost per click (CPC), advertisers pay for each ad clickthrough. With cost per thousand (CPM), advertisers pay for every 1,000 impressions. **Flash** A software plugin that enables browsers to play multimedia animations, such as video.

Online marketing terminology can seem like a new language. Let us translate for you.

**Ad Group:** A collection of ads within a campaign that corresponds to a group of related keywords.

**Ad Network:** An advertising company that connects businesses wanting to run ads with websites that will host ads. Ad networks sell and serve most banner ads.

**Affiliate Marketing:** A marketing tactic in which one company pays another for each visitor or customer brought by its marketing efforts.

**Banner Ad:** A type of ad, usually with graphics, that appears on a web page and links to an advertiser's website.

**Campaign:** A component of your account that allows you to focus your advertising on specific products or services. Each campaign can contain multiple ad groups.

**Clickthrough Rate (CTR):** The number of clicks an ad receives divided by the number of times the ad is shown.

**Contextual Advertising:** A type of advertising based on the content displayed to the user.

**CPA, CPC, CPM:** Cost per action / acquisition (CPA) is an online payment model by which advertisers pay for each action completed because a visitor clicked on their ad. With cost per click (CPC), advertisers pay for each ad clickthrough. With cost per thousand (CPM), advertisers pay for every 1,000 impressions.

**Flash:** A software plugin that enables browsers to play multimedia animations, such as video.



### HOT TIP

If you want to try group buying, be ready to offer significant discounts — sometimes more than 50%.

**Geotargeting:** A method of delivering online ads based on the physical locations of web surfers.

**Google AdWords:** Google's advertising program based on cost-per-click pricing.

**Group Buying:** When a group of consumers come together to leverage the group's size in exchange for discounts on products or services.

**Impressions:** The number of times an ad is viewed. One impression is one banner ad displayed on one web page.

**Keyword:** Words used for a given ad group to target potential customers.

**Landing Page:** A web page where visitors are taken after they click on an ad or a search result. This may be a website home page or a unique page developed specifically for a marketing campaign.

**Negative Keyword:** Specific terms that you can exclude in paid search results. For example, if you select "free trial" as a negative keyword, your ad will not show as a result of any search including both "free" and "trial."

**Rich Media:** A type of technology that includes graphics, audio or video within an ad.

**Search Engine Marketing (SEM):** The practice of promoting a website through a search engine.



### HOT TIP

Ask advertising partners how you can receive more from their services. Chances are they can tell you about successful strategies from other clients.



### WATCHOUT

Don't focus your ad on the features of your products or services. Instead, communicate the benefits your potential customers will receive.

# Worksheet: How to Get Started

Now that you're thinking about new ways to grow your business online, use this worksheet to choose the most effective vehicles to promote your products and services. By defining your goals and assessing the resources, you'll help improve your follow-through and increase your chances for success.

## SECTION 1. STRATEGY

### 1. I want to:

- Increase awareness of my company
- Sell more to existing customers
- Find new customers
- Other .....

### 2. My customers are primarily:

- Local
- In my state
- In the United States
- Global

### 3. Most of my customers found my business by:

- Word of mouth / referrals
- In-person presentations
- Search engines / online ads
- Phone calls
- Yellow Pages / other directory
- Billboards / other signage
- Print advertisements
- Radio / TV advertisements
- Direct mail
- News coverage / press releases
- Foot traffic / walked by
- Other .....

### 4. My customers visit these websites regularly:

- Search engines (*List Names, URLs*): .....
- Social media sites (*List Names, URLs*): .....
- Shopping sites (*List Names, URLs*): .....
- Community sites (*List Names, URLs*): .....
- Other (*List Names, URLs*): .....



**5. Internal assets I can use to build my business online:**

- Website / Ecommerce store
- Landing pages
- Blog
- Staffer(s) available to help
- Online videos
- Staffer(s) available to answer calls
- Special offers, such as coupon codes
- Other .....

**6. Online tactics that may fit my business include:**

- Local listings and classifieds (*Rationale?*): e.g., I can write a strong offer to help move a slow-moving item. .....
- Google AdWords (*Rationale?*): .....
- Contextual ads (*Rationale?*): .....
- Geotargeting (*Rationale?*): .....
- Display ads (*Rationale?*): .....
- Group buying (*Rationale?*): .....
- Mobile marketing (*Rationale?*): .....
- Social networking sites (*Rationale?*): .....
- Affiliate marketing (*Rationale?*): .....
- Display ads (*Rationale?*): .....
- Online videos (*Rationale?*): .....

# Worksheet: How to Get Started

## 7. Companies I follow that do these activities well:

Business Name:

*e.g., Acme Inc.*

.....  
.....  
.....  
.....  
.....

Online Activity:

*Makes video posts on YouTube.*

.....  
.....  
.....  
.....  
.....

Lessons Learned:

*I should use videos to drive website traffic.*

.....  
.....  
.....  
.....  
.....

## SECTION 2. CONTENT

A great ad placement won't do well without a great ad. Take these steps to create a text or display ad that grabs your viewers' attention and gets results.

### 1. Customers buy from my company because:

- a. ....
- b. ....
- c. ....
- d. ....

### 2. I want people who find my company online to:

- a. ....
- b. ....
- c. ....
- d. ....

### 3. Online specials I could offer:

- a. ....
- b. ....
- c. ....
- d. ....

### 4. Now take this information and craft your ad:

Headline: .....

Copy: .....

Call to action: .....





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