Marketing and sales

The terms marketing and sales are inescapable in business. In fact, many would argue that one or the other define what it means to do business.

However, while sales focuses on the method of persuading the target market to buy a product or service, marketing looks at the big picture to make sure the entire project – from design to delivery – is optimised to help sales.

It’s for this reason you need to make sure your sales initiatives and marketing plan see eye-to-eye to ensure a greater chance of success.

Marketing

Marketing is an umbrella term for the entire co-ordinated process of getting a product or service into the hands of customers.

After identifying the target customer, marketing specialists use that information to inform the aims and design of the product, the optimum price it should be sold at, where and how it should be delivered to the market, and how the market should be persuaded to buy it through promotion.

These elements are called the Four Ps of marketing:

- Product
- Price
- Place
- Promotion

When this combination of elements works to support each other, they become your marketing mix. A value-leading product, for example, shouldn’t have a premium price tag that doesn’t appeal to its target market.

Self-assessment: Digital marketing

The Internet has made reaching your customers much easier and cheaper than before — no matter where they are. Making the most of your online presence lets you get to know your customers better and strengthen your business.

Assess how you use social media planning, building engagement, email marketing and advertising online. See how you rate and where you should focus.

At the end of this assessment you’ll get:

- a better idea of your digital marketing strengths and weaknesses
- practical tips and links to expert advice.

5 - 10 minutes

Self assessment: Digital marketing
Social media engagement

Did you know...

About 3.03 billion people are on social media around the globe, according to BrizFeel (publishers of digital marketing stats).

Next

How much does your business use social media to engage with customers?

- Not at all — we don't use social media for business
- A little — we use it but we don’t have formal business accounts
- Sometimes — we have a Facebook page or something similar
- Quite a lot — we use a few different social media platforms
- Lots — we use different social media platforms for specific purposes

Submit

Social media engagement

Did you know...

More than 70% of people who experience good customer service on social media recommend that business to others, according to Local Measure (customer experience specialists).

Next

How much value does your business get from social media?

- No value — we don’t get much response to our posts
- Limited value — we don’t know if customers enjoy it
- Some value — customers discover us online or enjoy our posts
- Good value — it reinforces who we are and creates sales
- Great value — we couldn’t succeed without it

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Planning

Did you know...

3.5 million Kiwis are active on social media and spend an average of 1 hour 53 minutes there every day, according to research by Hootsuite and We Are Social.

Next

How well does your business plan its social media activity?

- We don’t plan — and we only post from time to time
- We try to post regularly, but we
don’t always manage it  We post often, but it’s hard to plan content across platforms  We post to a schedule and plan relevant topics  We have a clear plan of topics and goals for each platform

Email marketing

Did you know...

Email marketing is the most cost-effective advertising method available today, as well as the most measurable, according to Harvard Business Review.

How much does your business use email marketing?

- We don’t use email for marketing at all  - A little — we manually email customers when we need to  - A fair amount — we email groups of existing or potential customers  - Lots — we use an email marking tool to help us be more effective  - Heaps! — we use customer relationship management (CRM) software

Email marketing

Did you know...

It’s a very safe bet that email will beat all your other marketing methods in terms of return on investment. — Harvard Business Review

How much value does your business get from email marketing?

- No value — we don’t do email marketing, or don’t get much response  - Not much value — we don’t know if it translates into sales  - Some value — customers sometimes buy from us because of our emails  - Good value — we can track many of our sales back to the emails we send  - Great value — we couldn’t succeed without it

Planning

Did you know...

According to CoSchedule, a series of US-based studies suggest that:

- the best day to send email is Tuesday, followed by Thursday and then Wednesday
- the best time to send email is 10am, followed by 8pm, 2pm, and 6am.
How well does your business plan its email marketing activities?

- We don't plan — we just react to situations (e.g., like surplus stock we need to sell)
- We try to plan, but sometimes we go a long time without sending emails
- We have a good plan, but we don't always manage to follow it exactly
- We plan specific emails for different products or customers
- Our email campaigns result in sales and we can predict the effect each will have

Paid advertising

Did you know...

Social media is the most relevant advertising channel for Generation Z and Millennials, according to Adobe's Digital Insights.

How much paid advertising do you do on social media platforms?

- We don't advertise — we just hope our posts are popular
- We advertise by trying to repeat the approach of our popular posts
- A fair amount — we promote specific posts to increase their reach
- Lots — we place ads or target promoted posts to the relevant audience
- Heaps! — our campaigns rely on ads or boosting and targeting posts

Paid advertising

Did you know...

Around 65% of people click on Google ads when looking to buy an item online, according to WordStream (online advertising specialists).

How much do you use other methods to advertise online (such as displaying advertisements or appearing in search results)?

- We don't buy online advertising — we just hope customers find us
- A little — we buy online advertising on relevant websites
- A fair amount — display (banner) ads and search advertising such as Google AdWords
- Lots — we buy online advertising space that targets our customers
- Heaps! — we advertise online to attract customers and convert leads to sales
Tell us about your business

Just one last step before your self-assessment results. So we can shape future tools and services around your needs, please tell us about your business size, location, age and industry.

Where is your business based?  
Which of these best describes your industry?  
How many employees do you have?  
How old is your business?  
Show my results

Sales

The channel for sales – in other words through a wholesaler, a retailer or direct to the consumer – is decided as part of the marketing mix under Place.

However, the method of how it is sold is strategized under Promotion, where a lot of the sales, PR and advertising decisions are made.

Each half of this equation should complement the other and fit into an overarching marketing plan.

For example, your business may decide not to share profits with a wholesaler or retailer and instead sell your product or service directly through your own website. However, if you find the advertising and PR support required to push customers to the site uneconomical, you might decide to revisit your distributor options instead.

Even special offers and money-off vouchers that can drive and shape sales on the shop floor are often decided under Promotion in consideration of the rest of the marketing mix, to make sure they are appropriate sales techniques for the product or service being sold.

The influence of market research

Marketing plans are based around the marketing mix, but to optimise each of the four Ps, marketers first carry out market research in a number of key areas.

Customer research

Marketers study the market to determine demand for a new product, and identify target markets so products can be marketed more effectively to the right type of customers.

One of the most common mistakes made by first-time entrepreneurs is that they assume their product or service will appeal to everybody, but that’s never the case. There will always be customer types and demographics that your offering will appeal to more than others, and focusing your attention on appealing to these people is always the most cost-effective way to find success.

The trick is accurately identifying your target markets through the use of surveys, focus groups and other common market research methods.

Using stats & data

Hear from a Wellington-based start-up
Hear how a Wellington-based start-up used statistics and data to research their potential market, hone their product, build a case for investment and make better business decisions.

Video transcript (/how-to-grow/boosting-sales/marketing-and-sales/transcript-marketing-and-sales/)

**Competitor research**

As you’ll see with SWOT analysis (below), identifying threats is an important part of marketing, and threats don’t usually come any bigger than in the form of competitors.

If you research them to find out their strengths and weaknesses, you can use that information to attack them in the right places with an optimised offering or special offer, and defend your weaknesses better by improving in their areas of strength.

Common methods of competitor research include online research and mystery shopping.

**SWOT your business, and your competition**

A SWOT analysis (/getting-started/business-planning-tools-and-tips/how-to-write-a-business-plan/#e13321) is a great way to assess what your business does well, and where you’ll need to improve. It can also help you identify ways you can exploit opportunities, and to identify and prepare for potential threats to your business success.

It’s a commonly used strategic tool, as well as a product-focused marketing tool that can help you form your marketing objectives.

It can be as simple as drawing a large square, and dividing it into four quadrants – with each quadrant representing one element of the SWOT analysis -- strengths, weaknesses, opportunities, and threats.

For example, if you identify:

- your brand reputation in your core market as a strength
- your reliance on one core product for revenue as a weakness
- a competitor’s diverse product streams as a threat
- a current lack of significant players in a related emerging market as an opportunity.

Backed by the SWOT analysis, which has helped you rationalise the decision, you might then take the strategic step to enter that new market to improve your position in all four areas.

**Quiz**

**Quiz: Can my customer return it?**

Do you know when to give a customer a refund, repair or replacement? Take this quiz to find out. When you're done, follow the links in the answers for more details.

Do use complaints to improve your customer service and your business as a whole.
Complaints can be a valuable source of data. Use this data to identify problems — and see if your solutions are working.


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**Research your market**

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Here’s how

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