

Autumn 2009

Welcome to the Small Business Group

The Chartered Institute of Marketing's Small Business Group (SBG) seeks to keep marketers, consultants and business advisers to small and medium sized enterprises (SMEs) up to date on the latest marketing developments and news applicable to this sector. The SBG is open to all members of the Institute and seeks to actively develop events and initiatives that promote good marketing practice in the SME sector.

This issue looks at topics raised by the release of the Institute's latest Agenda Paper, 'Access All Areas?: How Government can best help small and medium sized enterprises'.

What's inside?

Foreword 2

Regional news and events 2-5

NFEA Enterprise Escalator 3

SME partnership with
support organisations 4

Lloyds TSB join forces with
the Institute 5

International Enterprise
Convention 5

SMEs... is there such
a segment? 6

Shape the Agenda: Access All Areas?



Increasingly, the UK Government is referring to SMEs, which make up 98% of the UK's businesses, as the powerhouse of our future economy. But is the current support system for SMEs actually supporting them? The Chartered Institute of Marketing's autumn 2009 Shape the Agenda Paper, 'Access All Areas?', highlights the difficulties that SMEs face in accessing advice and support. Mark Stuart, head of research at The Chartered Institute of Marketing summarises the key issues.

SMEs seek help from government for a number of reasons, but these can be refined to a couple of essential issues: lack of money, lack of business knowledge and a lack of understanding of marketing. There are a range of ways to obtain finance, but very few ways of accessing good professional marketing support.

Government is cast in a difficult position where it tries to be the both the provider and access point of some of its offerings. By drawing a line between 'access' and 'delivery', government can tailor its offerings and direct SMEs towards the right solutions without running the risk of absorbing help into a 'one size fits all' approach.

Once SMEs' needs have been correctly assessed, it's time to direct them towards recognised organisations for delivery and funding if necessary. Part of the way to

do this more effectively is to recognise that many business development issues are at their core marketing issues. This is where there appears to be a lack of understanding within government. This is not government's fault, because such understanding is not their sphere of expertise. That gives us a job to do, to prove that the Institute is not just a membership organisation with a narrow definition of 'marketing', but a business growth organisation, that places an emphasis on marketing as the engine that drives business.

To obtain a copy of the full discussion paper, 'Access All Areas?', please contact the Institute's Library and Information Service; email library@cim.co.uk. Road shows are currently planned for the South West in spring 2010 where the issues raised by the Paper will be debated by key speaker Mark Stuart.

Let's all pull together

Richard Allsop, national co-ordinator, The Chartered Institute of Marketing, Small Business Group



Summer 2009 has now passed and we are all still trying to understand the full impact of the 'credit crunch' on our own businesses and those of our clients.

Whilst many businesses have been struggling, some have used the recession to strengthen their hold on existing customers and to try and improve their product offering. There is no doubt that those businesses that are weathering the recession most successfully are those that are using the time to strengthen their business development activities. The problem for professional marketers is that many of our potential clients do not see marketing as a business development activity i.e. an 'essential investment'. They see marketing purely as a promotional and communication activity and therefore an 'optional cost'.

I believe the Institute and members of The Chartered Institute of Marketing Small Business Group have a duty to educate small and medium sized businesses about the positive returns and benefits of 'real marketing'. Many small (and not so small) businesses need professional marketing support to help them survive and emerge stronger from the recession.

I look forward to the Institute working in partnership with The Chartered Institute of Marketing Small Business Group, to develop a range of support initiatives that will help to educate our clients, and perhaps Government and small business support agencies, "To recognise that many of the issues that small companies seek help for, aside from financial matters, are marketing issues."

(Source: *Access All Areas?*).

Regional Champions report on news and events in your area

North West

Merseyside – Davide De Maestri, email: merseysidesmes@cimnorth.co.uk

Manchester – Jeremy Bassett, email: jeremy@corve.co.uk

Cheshire – Amanda Law-Lyons, email: lawlyonsconsulting@btinternet.com

Regional Champions, Jeremy Bassett and Davide De Maestri, are currently planning an events programme for next year including a telecoms and online event designed to engage SME owners and managers. In addition, they are exploring resurrecting the hugely successful World's Biggest Marketing Clinic concept in a new form.

Specialist SME Chartered Marketers recently provided free one-to-one marketing clinics to delegates visiting the Business North West Exhibition in Manchester and have been fulfilling days of consultancy for SMEs in conjunction with the Institute's partnership with Business Bolton (Bolton Council). SMEs gained invaluable strategic and tactical marketing advice from both these initiatives. The team also organised similar marketing clinics earlier this year at Halton, Wirral, Liverpool and Lancashire, with another upcoming event planned at Knowsley.

Davide is continuing discussions with Sefton and Liverpool Chambers of Commerce into providing sound marketing support for their members.

Lancashire – David Mapple, email: david.mapple@nxo.net

A second cohort of delegates are just starting Marketing Matters – a programme of workshops aimed at developing, implementing and reviewing marketing effort to ensure a positive return on investment in SMEs in Lancashire.

The first stage of the Marketing Matters programme is delivered over two months by two consultants, one from a large company background and the other from an SME. This insightful and deliberate approach results in a series of interactive workshops that focus on marketing practice that works in environments constrained by the realities of human and financial resource.

From start to finish, the objective is for each delegate to produce a set of activities that they will implement in their company. Within three months of the last workshop, consultants will visit each delegate company to assess and review

the impact of their actions and any required modifications to improve future practise.

The second stage of the programme assigns responsibility to specific projects and tasks in order to turn learning to action and theory to results. This continuation of the training process is critical if delegates from the first series of workshops are to return to the business and consistently apply proved methodology to all their marketing activity.

The course is delivered to individuals and teams through four days of onsite training and facilitation delivered over no less than three months, giving sufficient time to measure results. Course material is modified to suit tactical choice and is deliberately flexible in terms of delivery, timescale and methodology. This reflects the realities of a changing environment and availability of resource in an SME environment. For companies with between five and 249 employees, there is also the opportunity to draw down funding to cover all or part of the cost of both stages of the programme. For further information, please contact David Mapple.



The National Federation of Enterprise Agencies (NFEA), the national enterprise network, set out a response to the economic circumstances facing the country earlier this year in its 'Business Support in a Recession' paper. Key principles from this paper were included in the Institute's recent Shape the Agenda Paper 'Access All Areas?'

NFEA members are seeing a dramatic increase in enquiries about self employment which is no surprise in the current environment. It is a viable option for many people as an alternative to unemployment and supporting people into self-employment is a cost-effective option for government, even discounting the wider social and economic impacts. However, NFEA believes that the business support structure, designed in times of prosperity, needs radical revision to deal with the volume and nature of demands currently being made upon it.

NFEA members' experience, dating back to previous recessions and based

on experience of involvement in over 10% of the national start-up figures, has led NFEA to propose a model entitled 'The Enterprise Escalator'. It brings together tried and trusted approaches, is consistent with current policies, and is modular in nature, allowing for variations in local and regional priorities and budgets.

Ultimately, the Enterprise Escalator provides a comprehensive customer journey, comprising:

- Outreach and awareness raising
- Pre-start advice
- Start-up training
- One-to-one support
- Mentoring
- Networking

Many of the tools required for the Enterprise Escalator are already available, but publicly-funded business support needs to adjust its product offering to the demands of the moment, promote it energetically and embrace the wider enterprise support network to deliver it.

Regional Champions report on news and events in your area

North East, Scotland and Ireland

Yorkshire, North East and Durham Tees Valley

Durham Tees Valley – Elaine Scott,
email: dtvsms@cimnorth.co.uk

Humber – Sally Steadman, email:
hsmes@cimnorth.co.uk

South Yorkshire – Derek Carpenter,
email: sysmes@cimnorth.co.uk

Over the summer, Bmedia, a SME group based in Bradford, invited the team to participate in a 'Meet the Experts' panel question and answer session to discuss key marketing issues. The team were well received and have been invited back for next year's event.

Chartered Marketers will be offering their marketing advice and expertise at free one-to-one marketing clinics at 'Business Yorkshire' on 25 and 26 November. For further information please visit the events section of the Institute's website: www.cim.co.uk/events.

The Durham Tees Valley and North East branches are proud to announce that they are organising next spring's 'The Marketing Show' event on 3 March in Durham. Aimed

specifically at helping SMEs to improve their marketing, speakers at this one-day event will give tips on marketing planning, social networking and tangible marketing.

Ireland

Charles Fulton,
email: charles@fultonadvertising.com

The Chartered Institute of Marketing Small Business Group Champion, Charles Fulton, attended 'Marketing Week' in October which included workshops, presentations and lectures that were of particular interest to SMEs on topics such as internet marketing and public relations.

The week was themed around the first event, 'The Galbraith Lecture', with the topic of Revenue Generation for Recovery. The guest speaker was Chartered Marketer and chairman of Cambridge Marketing College, Charles Nixon. Events during the week took place in Belfast, Dublin and other sites across Ireland, which gave SMEs the opportunity to link into the latest marketing thinking.

Scotland

John Villiers,
email: John.Villiers@ntlworld.com

With the small business sector in Scotland on its way to recovery from recession, The Chartered Institute of Marketing Small Business Group Champions are striving to support the marketing needs of small business executives, managers and owners through a cutting-edge events programme.

The programme aims to promote best practice marketing that any small business can utilise, and event speakers have been briefed to provide practical information and advice with tangible benefits. For example, 'Podcasting in New Media' was delivered in three locations around Scotland, allowing business to quickly assess the potential for their business from an expert in podcasting.

Lloyds TSB has also held small business road shows around Scotland, for which the Institute's local team advised SMEs on marketing issues. The team are now looking to support the next series of road show events.



Working with SMEs in partnership with support organisations

Richard Storey, The Chartered Institute of Marketing Small Business Group South West Champion. Richard has over 20 years experience as a marketing consultant in the SME sector and has spent three years as a part-time business adviser with Business Link.

‘Access All Areas?’, the Institute’s Shape the Agenda Paper for autumn 2009, looks at how government, and its designated agencies, can help smaller businesses develop and grow to become more competitive and profitable. The Paper helps to set the scene and inform the debate we will continue to have on how the Institute can address the real issues SMEs face. These include a proper understanding of what marketing is, what role it should play at the different stages of its development, and how we, as professional marketers, can become leaders in driving up standards and performance in the SME sector. As Business Links no longer have a mandate to deliver, we should ensure that the Institute becomes their partner of choice throughout the country, able to deliver a consistent and non-commercial support package.

We should also recognise the often quite different needs of SMEs depending on their size and stage of development. As Mark Stuart, author of the Paper emphasises, an SME can be a micro business or one employing up to 250 people, and the means at their disposal for planning and driving their business development activity (aka marketing) will vary respectively from it being a part-time role for the owner manager or director to a fully-fledged marketing department.

To meet these widely differing needs we must adopt a flexible approach as to how we provide information about, and a thorough understanding of, marketing as a core business function. Our new Small Business Toolkit will provide the basis for a series of workshops which can be adapted to suit the needs of SME delegates and uses case examples relevant to their stage of development.

One of the Institute’s key aims is to raise our profile and influence and build our professional membership to give us more critical mass and greater influence with government and employers. We also want to provide better access to, and build enduring relationships with SMEs. At the smaller end of the SME sector, where a high proportion of businesses employ less than ten people, it is unlikely that many will have a dedicated marketing function, but they will nevertheless want to plan and manage their business development activity efficiently and effectively.

As an Institute we need to be actively engaging with and encouraging these owners and managers to develop their own marketing prowess and understanding, and when the opportunity arises, to employ professional, qualified marketers.

Regional Champions report on news and events in your area

Midlands and the East

East Midlands

Richard Allsop, email: Richard@strategicbusinesspartnership.com

The East Midlands ran a marketing surgery at two road show events hosted by Lloyds TSB, in Leicester and Derby. These proved very popular, and it is hoped that they will be the forerunner of a more regular series of marketing surgeries around the region for smaller businesses.

West Midlands

Jonathon Nason, email: jn@quaydirections.co.uk

Sammy Rose, email: info@sammyrose.com

Richard Mooney, email: Richard.mooney@nxo.net

In September, The Chartered Institute of Marketing’s Small Business Group (SBG) took the case of supporting SMEs to the European Commission in Brussels. Presenting the Institute’s work in the SME sector to the Commission, Jonathan Nason highlighted the need to support UK SMEs in export markets

and boost the local economy. Jonathan’s campaigning will enable SMEs to build a closer understanding and relationships with key foreign markets and open up export opportunities via the European Commission’s Executive Training Programmes (ETP). As a former participant in ETP-1, he will be monitoring progress and reporting back.

Sammy Rose has been working closely with the ‘Find It In Sandwell’ online initiative www.finditinsandwell.co.uk. The website enables SMEs in the Sandwell and neighbouring Black Country areas of the West Midlands to access information on potential business and tender opportunities and recruitment advice. The site is supported by a monthly breakfast networking event and quarterly business show where Sammy has been working to promote the Institute.

At these events there is also a ‘Learning Zone’, comprising of 30 minute workshops, and Sammy has delivered one on marketing to raise the profile of the Institute amongst the SME audience. The next ‘Find It’ event is on the 19 November at the Balaji

Temple, Dudley Road East, Oldbury B69 3DU.

East of England

Andrew Chalk, email: andrew@outsideinmarketing.co.uk

The East of England branch has awarded four Chartered Marketers the status ‘Business Boosterologists’. The team comprising of Bob Hogg, Mike Holland, Jeff Della Mura and Barbara Stopher will work in pairs to deliver a series of seven interactive one-day workshops in conjunction with Business Link East.

The ‘Boosterologist’ team will give bite-sized chunks of hands-on advice to SME owners and directors to cover confidence, sales, profit and magnetism. Billed as ‘MORE your business’, with the emphasis on practical advice without the marketing jargon, the free sessions are designed to make more of the individual business opportunities available.

Visit <http://businesslink-news.org/briefings/3QN-296/MOREyourbusiness.aspx> for more information.

Lloyds TSB and The Chartered Institute of Marketing join forces



A new Lloyds TSB Commercial business advice seminar programme, supported by Institute members, is being rolled out across the country this autumn.

The programme, launched earlier this year, includes a series of 120 nationwide business advice seminars, providing customers with specialist advice from

Lloyds TSB and independent experts such as The Chartered Institute of Marketing. These events are designed to support businesses during the recession and to help prepare them for the future. Key issues include business planning; sourcing and managing your finances; and finding and retaining customers.

International Enterprise Promotion Convention

15-17 November 2009, Harrogate, North Yorkshire, UK



A worldwide convention, organised by the International

Association for Enterprise Promotion, a not-for-profit company, to share best practice and innovation in the creation and support of small businesses.

For further information please visit www.enterprisepromotion.org or email: info@enterprisepromotion.org

For events the Institute is running visit

www.cim.co.uk/events

You can also search for training courses from The Institute online at

www.cim.co.uk/training

Regional Champions report on news and events in your area

The South and Wales

South East

Philip Preston,
email: PhilipPreston@cim.co.uk

After many years as a Small Business Group Champion of the Institute representing SMEs in the South East region, specifically Greater London, Steve Revill is stepping down. Steve has worked hard to develop The Chartered Institute of Marketing Small Business Group and create links with a number of business organisations that help and support local SMEs. We would like to hear from Chartered Marketers who have experience in the SME sector and are keen to develop The Chartered Institute of Marketing Small Business Group within the region. Please contact the Institute's Greater London regional director, Philip Preston, who will be holding the reins for the time being, for further details.

South West

Richard Storey,
email: mswsbg@cim.co.uk

Richard is working with regional branch chairs to harness the Shape the Agenda 'Access All Areas?' presentation into a wider series of branch events co-hosted by the Institute's Small Business Group. Possible venues include Gloucester, Bristol, Exeter, Plymouth and Poole. He urges members of the Institute's Small Business Group to attend these events to help implement business breakfast meetings on the Agenda Paper across the region.

Work with Business Link also continues with joint events being planned for members of The Chartered Institute of Marketing and SMEs. In October, Richard met with the Business Link Northern Arc events managers for both Dorset and Bath and Wiltshire to discuss dates to hold introductory seminars, from which he plans to organise workshops using the Institute's new Small Business Group Toolkit, due to be launched soon.

Wales

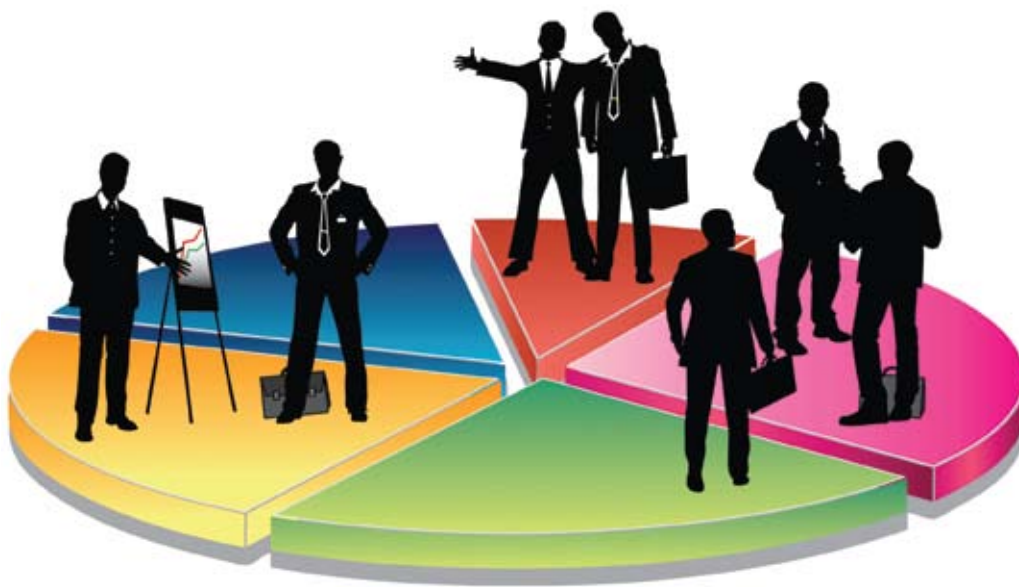
North Wales, Roz Jones, email:
abs822bangor.ac.uk

South Wales, Jonathan Deacon, email:
Jonathan.Deacon@newport.ac.uk

Gomer Williams, email: gomer@
hmlmarketing.co.uk

Roz Jones is forging contacts with small business stakeholders and owner-managers of SMEs. She recently attended the CIM event 'Challenger Brands' at the Bangor Business School and would like to invite anyone interested in developing firmer links and creating opportunities for SMEs in North Wales to get in touch.

Gomer Williams aims to highlight local grants to SMEs and urges members to take advantage of funding from the Welsh Assembly Grant (WAG) scheme, such as a small Single Investment Fund (SIF) up to £15,000 for use in business or product development or training. He also plans to organise training schemes for SMEs on marketing planning and provide specialist support in areas such as copywriting and intellectual property (IP) awareness. For more information visit <http://wales.gov.uk/funding>.



SMEs...Is there such a segment?

The recent 'Access all Areas?' Agenda Paper highlights this question, pointing out that more than 98% of all UK businesses are small and medium sized enterprises (SMEs) – this is not a segment, it is practically the whole market! Richard Allsop, national co-ordinator, Small Business Group, reports.

As the Paper states, the government adopts a 'one size fits all' approach to SME intervention. Nevertheless, as professional marketers, we should be ashamed that we have allowed the term 'SME' to go unchallenged for so long.

The term SME is a government one and is used to determine which companies can access UK Government and EU funding. The Shape the Agenda Paper segments SMEs into four categories; The Chartered Institute of Marketing's Small Business Group has traditionally used three categories. The metrics used are slightly different, but essentially they are based on the easiest thing to measure – the number of employees.

Whilst this does provide a degree of segmentation, it is a far from satisfactory criteria for defining the type of intervention necessary to help SMEs improve their business development activity. If we go back to basic segmentation criteria, the metric we are using is only the first level; demographic segmentation. In order to really understand what type of intervention is

appropriate, we need to be digging deeper. We certainly need to be considering behavioural criteria, and I would argue, we need to understand psychographic criteria.

In many small and medium enterprises, the attitude and ambition of the business owner(s) is the key factor in determining the right type of intervention. There are distinct differences between people who want to run a lifestyle company and those who aim for fast growth. Factors such as their senior management skills, business experiences and attitudes to training and external intervention are important. These factors should determine the type of intervention deployed and the messages used to sell these interventions.

The current approach adopted by the UK Government and most support agencies is totally inadequate, either to shape the message, or more importantly, the product being offered. It could reasonably be argued that government does not know better but we should! Psychographic and behavioural

'In order to really understand what type of intervention is appropriate, we need to be digging deeper.'

segmentation will require expert marketing research skills, and it to be hoped that the Institute will work with suitably qualified members and/or some leading academic institutions to collect, analyse and disseminate the research. Psychographic or behavioural segmentation research will not be an easy task and it is questionable whether it should be undertaken by government agencies. If the government is serious in trying to target its intervention at those SMEs with the greatest potential to improve the fortunes of UK plc, then more accurate segmentation and targeting of the SME market is not only desirable, it is essential.

Useful contacts

Christine Boswell-Munday
Regional director
The Chartered Institute of Marketing, South West
cbm.daytwo@btopenworld.com
M: 0780 190 2487

Dena Pearce
Market interest group support
The Chartered Institute of Marketing
DenaPearce@cim.co.uk
T: 01628 427304

Richard Allsop
National co-ordinator
The Chartered Institute of Marketing, Small Business Group (SBG)
Richard@strategicbusinesspartnership.com
T: 0116 285 5585

Future editions

We welcome your feedback on this newsletter and contributions for future issues. Please send your suggestions and materials to Christine Boswell-Munday or Dena Pearce.



The Chartered Institute of Marketing
Moor Hall, Cookham, Maidenhead
Berkshire SL6 9QH UK
Email: membership@cim.co.uk
Telephone: +44 (0)1628 427120
www.cim.co.uk