

## Sky is the limit for a motivated business

Claire Heaney

SMALL businesses are nowhere near maximising their marketing to build their customer base, according to advertising expert Simon Reynolds.

And it's not because of cost that they are falling short.

Mr Reynolds, who has a raft of advertising and marketing awards to his name, said owners needed to have the attitude that their businesses could be better and that they were going to make them better.

"There is no small business in Australia that is maximising its opportunities in marketing," he said.

Research indicates that cash-strapped, time-poor small businesses are hungry for cost-effective marketing advice.

"Don't just say the economy is bad ... it does not cost a huge amount of money. A lot of the best ideas are really cheap," he said.

The success of businesses such as JB Hi-Fi and the Reject Shop showed that in every recession there was a tremendous opportunity to approach things differently.

Among his suggestions are:

- **CONSIDER** joint ventures. Seek out other companies that are doing things that complement what you are doing in your business;

- **LOOK** at special offers such as discounts or a cut of the profit;

- **APPROACH** local service clubs and municipal councils and build your contacts; and

- **MAKE** a point of getting customers' email addresses.

"A good email database is absolutely gold," he said. "You can regularly send out offers and newsletters and keep them up to date."

"But you must use those email addresses intelligently."

Mr Reynolds said that just because things were tight, it did not mean small businesses could not put up their prices.

While it seemed counter-intuitive, he said often people were loyal because of the product range rather than the price.

"People have to experiment with pricing," he said.

He suggested businesses look at bundling goods and services.

He also said that it was well worth the time to track customers' responses to any advertising.

For instance, after an ad or some marketing initiative appeared, it needed to be followed up to see if there was a spike in interest.

If people had customers they needed to keep talking to them about their experience.

While Mr Reynolds said internet-based social media had its place, there might be better ways to spend your time.

He said Twitter was useful if tweets were genuinely geared to promoting the business and if they were relevant.

"It's not in my top 10," he said of Twitter as a marketing tool.

He said it might be better to spend three hours a week on a leaflet drop rather than three hours on Twitter.

## No to website

A THIRD of small to medium-sized businesses surveyed by Sensis had no intention of setting up a website.

The annual Sensis e-Business Report found that only 8 per cent of businesses believed their website delivered extra sales, 11 per cent said the websites increased awareness of their businesses, while 18 per cent said their websites informed people about their businesses, report author Christena Singh said.

# Riding high with a job built on love



Working on success: Darren Stewart rides a mountain bike, and (below) his safety net is an excavation business

Jenny Dillon

MAKING your life's passion your life's work is a dream held by many — making it happen is another thing altogether.

For Darren Stewart, that move was as a result of pitching in to help clean up after the disastrous 2003 bushfires that caused enormous damage to the outskirts of Canberra and took four lives.

Mr Stewart had been riding his mountain bike on Mt Stromlo the morning the fires began, and that afternoon watched it burn.

He is a passionate mountain bike rider and as the ashes on the mountain cooled he joined other volunteers to help restore or rebuild the tracks.

Trading options and futures on the financial markets took a back seat and his previous work as a builder and mechanic gave him the opportunity to make money out of building trails.

His work also took him through to the finals of the 2009 Telstra ACT Business Awards.

In 2005 he changed his company's name to Makin Trax and he has been flat out doing just that ever since.

The new \$7.5 million world-class Stromlo Forest Park is now considered Australia's most advanced purpose-built mountain bike park and this week Mr Stewart sees the fulfillment of his dreams as Mt Stromlo plays host to the 2009 World Mountain Bike and Trials Championships.



More than 30,000 visitors from up to 40 countries are expected to throng the streets of Canberra.

During the week, 750 of the world's top riders will compete in four events — cross country, downhill, four cross and observed trials — to determine who will be crowned world champion.

Making the transition from doing something for love to doing the same thing for money has paid some interesting dividends, Mr Stewart said.

"I think it's enhanced the outcome of the business because being professional means that everything I do, I do in a professional way. I get machinery and equipment and reinvest in the company, while as a volunteer the money is not there for things like that."

"Also there is the need to be able to back up your promises and deliver."

There are difficulties, however, in specialising in something so unique.

"The obvious difficulties are the potential downtimes. I haven't had any yet, but I'm acutely aware that it could happen."

"The positive side is that the competition is not around. That wouldn't be easy with the investment we have made to do what we do and the amount of work that's around."

However, Mr Stewart does have a back-up business — something he believes is important if you are going to specialise in a tiny market.

"We have an auxiliary arm, a general excavation service," he said.

"Having it enables me to feel comfortable about having a constant flow of work. And it also enables me to train within, to get the guys who work with me some experience without having to get them up into the bush."

## Facebook vetting could court a lawsuit

Frances Stewart

BUSINESS owners needed to consider the legal implications of using personal information gathered from social networking sites to evaluate potential employees, an IR law firm has cautioned.

Harmers Workplace Lawyers senior associate Bronwyn Maynard said many employers were not aware of their legal obligations under the Privacy Act or additional obligations and employee rights introduced in the Fair Work Act, which took effect on July 1.

"Whenever an employer or recruiter

collects personal background information on a candidate, that action triggers a raft of legal obligations under the Privacy Act," she said.

"Those obligations include that an employer must inform the candidate that they have gathered personal information as well as explain the purpose for which the information was gathered and to whom it may be disclosed."

"On the flip side, candidates also have a right to request access to personal information that has been gathered about them."

Ms Maynard said under the Privacy

Act, only information relevant to an applicant's employment history or ability to do the job can be collected.

"Importantly, employers must remember that these privacy obligations apply even if the information gathered may have been obtained from a public source, as would be the case for many personal details included on an individual's blog, Twitter, Facebook or MySpace page," she said.

Failure to comply with legal obligations under the Privacy Act leaves employers open to complaints to the Privacy Commissioner and litigation.



Warning: Maynard