

Marketing for SMMEs during a crisis

Covid-19 has had innumerable effects on the country. While the human cost is undoubtedly the most severe of these, the economic impact has been profound. The restriction of movement to contain the virus has crippled the income earning capacity of many businesses. In particular, SMMEs that typically have little resources to sustain them have had to find creative ways to sell their products or services during the Covid-19 crisis.



Dr Jabulile Msimango-Galawe (DrJ)

So, the question is, how do SMMEs survive during this crisis?

This was the question posed by Dr Jabulile Msimango-Galawe (DrJ) in conversation with Lebona Moleli, an entrepreneur with 14 years of experience and the owner of three businesses. Specifically, “how do you continue to market in an environment like this?” His response is, “true entrepreneurs thrive in a crisis”, they find pockets of opportunities even in the middle of a crisis.

Marketing is crucial to any business whether or not you make sales; continuous communication of your product or service must be made to the potential consumer. Otherwise, one runs the risk of having their product or service forgotten. This applies even in periods of crisis. DrJ mentioned that being a coach and mentor to other entrepreneurs, the issue of limited budget always comes up concerning marketing, “they say, but we do not have the money to go and market that,” and so the question of cost-effective marketing strategies was posed.

To that, Moleli poignantly responds, "How much does it cost you to be on Facebook or Instagram?" Social media provides a platform for continuous engagement about SMMEs' products and services in a cost-effective way. If used strategically, capitalising on the strengths of each platform to communicate the product offerings can make up for the lack of financial resources for a television advertisement or billboard.

"So, when you have made a profit, do not go and buy that Italian shoe rather use that money to attend a digital marketing course, use that money to attend a graphic design course and at the end of the day you can be able to do these things by yourself without having to employ someone," said Moleli. Unlike big corporates with unlimited resources, the entrepreneur must perform these different tasks independently.

Marketing 101

Developing a marketing strategy (a business's overall game plan for reaching prospective consumers and turning them into customers of your products or services) will ensure that you are marketing to the right target market. Part of that process is doing market research at the onset of your business. This involves a SWOT analysis, identifying who your target customers are, your competitors and the operating environment. Then, the entrepreneur will create and market their product in the most appealing way to draw customers.



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Moleli stressed that one must do research first before promoting the product instead of doing it without any research done. Avoid the "spray and pray" approach, adds DrJ, further stating that entrepreneurs should instead adopt lean startup principles, where one goes out and tests the hypothesis of the problem they are attempting to solve in the marketplace. This increases the chances of success when selling the product. Doing marketing research does not have to be expensive. It could simply be driving around and asking people questions or using Facebook for surveys. "We spend much time on these platforms, so we must get value from them."

Getting a return on investment from your marketing strategy requires a long-term commitment to building a brand out of your product.

1. The first thing about branding is the identity of your product; the logo, the colours, the look and feel of the product that the consumer can identify.
2. The second part of branding is formulating the brand strategy, which speaks to what you offer to the consumer.
3. Finally, the most difficult to attain aspect of branding is brand equity. Brand equity takes years to build and requires consistent customer service. Yet, happy customers stay and continue to patronise the business.

"These things do not only apply to big companies", but he also said, emphasising the importance of small businesses marketing themselves seriously and building good relationships with customers. DrJ adds that word of mouth could end your business; accordingly, customer service should not be taken for granted. Moreover, black-owned businesses bear the added responsibility of being image-bearers for other black-owned businesses, "Because also when we give bad service as a black-owned business, we make life difficult for the next business because then clients will say that these small businesses or black-owned companies do not deliver", said DrJ.

The importance of collaboration

Speaking on time management and being practical, Moleli advised entrepreneurs to collaborate with other entrepreneurs; to outsource some part of the job, particularly where they lack the skill. By collaborating with other entrepreneurs, they ensure the job is done to the client's satisfaction.



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Moleli went further to give an example of his beer brewing business. He found a company that contracts out their brewing facilities which saved him from the heavy infrastructural investment that would otherwise be needed for the business. So being a brewer by training, he brings the recipe, the marketing strategy and the branding, while the actual manufacturing is contracted to another company. DrJ. highlighting the importance of collaboration, said, "what is the point of having 100% of nothing if you can have 50% of something".

The final question posed to Moleli was how to market products or services that are typically cut down and difficult to sell in a recession or during a pandemic. To that, he acknowledged that in a crisis, things would be challenging; however, there are pockets of opportunities.

"Be creative; there will always be something that you can do", said Moleli. He also reminds us that Uber and Air BnB, big companies today, were created during the global recession of 2008.

"The future is online, and digital marketing in the future", evidenced by the fact that online companies were able to continue operating during the lockdown. Undergirding everything, Moleli continuously emphasised the centrality of marketing to any business.

Marketing goes beyond just logos and flyers; it is about creating demand for your product. "Make sure your customers or consumers are in love with your brand. And if they are in love with your brand, they will buy your brand."

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