

Launching Your Business (4)

So you've [registered your business](#), got a [game plan](#) and your [production line](#) is going strong, what next? To really launch your business off the ground you need to make sure your branding is on point, have a marketing and sales strategy and start thinking about what happens post sales. In this fourth installment of The Business Blog, we unpack it all.

Choose A Sales Platform

How are you planning on getting your brand out there and making your products available for sale? A sales platform links you to your customers and is extremely important. There are essentially two different kinds of sales platforms, online (website, social media) and offline (physical shop, markets, word of mouth, etc); you can also have both. There are pros and cons to each.

Online

Pros:

Greater customer reach and ease of use.

Great search functionality to easily find your products.

Ease of social media integration (advertise on social media and send your customers directly to your website or sell via SM).

Availability of many payment options in the online sphere.

A website is hugely customisable to suit your brand and customer.

Ideal platform during Covid times!

Cons:

Not everyone is familiar with online shopping so this may be a barrier to some.

You may need to gain some experience or take time to learn the ropes of an online store

if this isn't something you are already familiar with.

You will need to immerse yourself in the world of online advertising (or pay someone to do this for you).

Offline

Pros:

A physical shop is the traditional style of shopping so there isn't the 'new and untrusted' factor that those unfamiliar with online shopping may have.

Some customers are more comfortable purchasing products they can see and feel (test out products), as well as handling in-person transactions as opposed to online payments.

A physical shop has a physical location and that comes with certain benefits. People can get familiar with it, it's easily shareable so customers can find you, etc.

Cons:

Keep in mind that you will most likely need to rent a space, and a rental agreement comes with additional costs.

If you have a physical store you will also want to cover yourself with insurance which is another cost outlay.

You may need to employ staff to man the physical space.

Less customer reach than online (unless of course you have multiple stores or are very well known).

Whether you choose an online or offline sales platform will also be determined by your target market, your available startup capital, your brand styling etc.

If you decide to go the online route, there are many free and paid website options available. Research online to find one that best suits you.

Branding

Your brand is a powerful marketing and sales tool for your products, and can also be reflective of your ethos, reasons why, etc; more on this here: ['I Want To Start My Own Business'](#). You may already have a good idea of what your branding should be, but if you don't we recommend doing some digging into this before settling on brand colours, logos and styles.

Look into your brand archetypes: the psychology of branding and connecting to customers

Did you know there is a lot of psychology at play when connecting brands to potential customers, drawing them in and closing the sale? Everything from how you word and advertise your products, to colours to imagery and more, will either help or harm your case. Curating your brand is a vital link in the chain. We suggest researching brand archetypes - a quick Google search will yield endless information on this topic - and can really help you to curate a successful brand.

Create A Pricing Strategy

A pricing strategy is vitally important to effectively sell and make money from your products. You don't want to price them too expensive or they won't sell, but you can't make them too cheap either or you will be losing money.

Firstly, you have to cover your costs. You really need to take everything about your business operations into account. Production costs are typically what is involved in producing your product, like the raw materials and equipment. Overhead costs can include lots of 'forgotten' costs such as electricity, marketing costs, etc, as well as things like rent and salaries.

Production costs: ingredients, equipment, everything it takes to to produce your product.

Overhead costs: rent, electricity, water, wages/salaries, professional fees, marketing costs, website maintenance etc.

Work all of this out, and divide by units of your product to get an idea of what it actually costs to make a unit of your product.

You can then think about how much profit you need or want to make. This will determine your markup.

Your final price will be: your costs + markup %.

Don't forget to include VAT if required.

You can (and probably should) also take into consideration the market, ie. what are similar products priced at. You can price above the market, price below the market, or copy the market price.

Pricing above the market will indicate that your product is of a higher quality, better performing and a more luxurious brand, so you better be prepared to back this up.

Pricing below the market may encourage savvy consumers to rather purchase your brand as opposed to a competitor.

Copying the market price is one way to stay competitive while remaining profitable.

Obviously you also need to take your cost price into consideration when doing this market orientated pricing strategy.

To change your profit margin you can either increase your price or reduce your costs.

Factors to consider when creating your prices:

Who is your target market? Luxury brand or everyday consumer? Think about how much your target consumer has to spend on products, and what their lifestyle is like. This can help you create a reasonable price point.

You should also think about possible short-term strategies to generate sales. These could include bundled products, having sales, having a discount for first time shoppers to encourage the sale, loyalty reward schemes to encourage repeat spending and customer retention, etc etc.

Marketing

Marketing is an industry all on its own, and for good reason. Marketing drives sales and sales make the money. Your business name and branding is an integral part of your marketing strategy. You will want potential customers to recognise your name and brand. Your marketing strategy should link to your brand archetype too.

Here are some marketing tips:

In order to market and connect to the right audience, you first need to know a little bit about your target market. Here are some factors to consider:

Who is your target market? Collect information such as demographics, age, location, interests etc. This will help you to better target your ideal customer.

What platforms do your target market use most often? Younger people will probably use phones, social media and the internet, while a slightly older generation may prefer to use a PC or even hear about your products via other channels such as magazines, newspapers, radio, TV, word of mouth, markets, church bazaars, etc.

Create a buyer persona to test against (a pretend customer that fits your ideal customer profile).

Revisit your USP ([Unique Selling Point](#)) and think about where your target market goes to look for these kinds of products.

Have a functioning website, or at least a Facebook page and Instagram account for your business so people can find you online. An online presence lends credibility and customer reach.

Up your social media game!

Use the four R's for social media posting: Regular, Relevant, Real and Remarkable. You might not be doing all four with every post but if you strive to do one or more you'll be on the right path.

Use Google Ads and Facebook ads for online marketing and audience targeting. There is a huge amount of info on how to effectively do this on the internet so give it a search.

Advertising can be done digitally or traditionally (think online or offline) and there are all kinds of options available:

TV, radio, podcast, newspaper/magazine ads, trade shows, markets/functions, industry events and launch parties, social media campaigns, social media influencers, online search engines, online ads. What strategies or combination of strategies you choose for your brand will depend on your selling model as well as your target customers.

Marketing strategies will also depend on what kind of sales platform you are using, as you will market differently based on whether you sell via a website or via a physical shop.

Terms & Conditions

You will want to set up some terms and conditions for your store (whether online or physical), to protect yourself and your customers. Look into the following areas:

Returns & refunds policy – how do you handle the situation when a customer wants to return a product or get a refund?

Get to know the Consumer Protection Act

Payments policy: are you going to allow COD? What types of payments are you accepting: cash only, or debit/credit, online payments etc.

Delivery options & policy – what delivery options will you offer and how do you handle any unforeseen delivery issues

You general Terms & Conditions - do you have any disclaimers? What happens if you make changes to your products' ingredients, branding etc? What about your product availability?

After-sales Service

Most customers will really appreciate you checking in on them after they have purchased from you.

This could be an automated follow up email, or a personalised mail thanking them for their purchase. You could also pop a thank-you note in their order.

Ask them to review the products they purchased. Reviews, whether on your website or on social media sites or even Google reviews, will all lend credibility and free advertising for your brand. Many customers even shop by the product reviews!

Send a sample product or gift with the purchase - this can introduce your customers to other products you sell, at no cost to them and very little cost to you (sample sizes are usually pretty small, just enough for a few uses) - and will be sure to be appreciated!

Good luck with your business setup and launch!