

NewsWire

November 3, 2009

HELPING ENTREPRENEURS AND BUSINESSES GROW AND SUCCEED

A joint program of the Labovitz School of Business and Economics, Natural Resources Research Institute, and Swenson College of Science and Engineering.

GOOD READING

**MARKETING INSIGHTS
from the FAMEE Foundation**

SEEK THE CONCEPT, NOT THE NUMBER

Lots of people like to get hung up on the numbers provided by marketing studies. It is helpful to study those numbers, but more to understand the underlying concept and less about the exact number. [This week's blog](#) takes a detailed look at this common concept, provides some examples, and provides suggestions for making it work in your business! [Click here.](#)

10 MARKETING PLAN TIPS TO GET THE LOAN

A critical part of the business loan application process is a business plan, complete with financial projections. One of the most scrutinized areas of the business plan is the assumptions behind the revenue streams - or the marketing plan. Take this short 10 day email course for tips on how to improve your presentation to lenders or investors and improve your chances of accessing the capital you seek. [Click here for more details.](#)

NEWS & INSIGHTS from the Boomer Project

By now you've seen the [reports](#) that consumer spending dropped 0.6 percent in September, causing stock prices to plunge (again) and raising concerns from all corners that we are in for a long, slow climb out of this recession.

While frightening, this news shouldn't be new to anyone paying attention. We started [reporting](#) on the new [responsible consumerism movement](#) at this time last year, and have issued several [additional missives](#) to make sure marketers understood we are entering a new era of consumer spending -- a "new normal" as it is now called.

This new normal isn't just for Boomers, but for younger adults, too.

Look below for our analysis based on some fresh data from our partner, [BIGresearch](#), which surveys over 8,000 adults 18+ the first week of every month. In October, BIG asked about spending plans for the holiday season. Uh oh. Things don't look good at all.

On a positive note, we'll also share our take on the long-term future for Boomers, who will make being "old" cool. That's right, cool.

Unhappy Holidays for Retailers

[Broken Dreams](#) The first week of every October the folks at [BIGresearch](#), ask consumers over the age of 18 their plans for the upcoming holiday season.

Last year, the questionnaire came only two weeks after the September 16th Bail Out announcements and a little before consumers saw the rapid decline of their portfolios. Consumer confidence had not fallen off the cliff yet.

Not surprisingly, consumers last year reported plans to spend about the same as they did in 2007. That isn't the case now, in 2009.



GOOD READING (cont.)

THE MYTH OF QUALITY

The average entrepreneur uses the word "quality" a lot. You hear it on radio ads and in the newspaper. I certainly hear it in consulting sessions. The reality is customers don't buy your quality, they buy the value this quality (your product or services) produces. If you have quality that produces no incremental value for the customer, there is no use for it other than your own entertainment. Break quality down into the specifics that lead to "quality" and identify which of those specifics have the most powerful impact on customers - then talk about those specifics. Key in on creating more value and you will find customer interest growing. For more marketing tips from the FAMEE Foundation:

<http://clicks.aweber.com/y/ct/?!=NNUgF&m=1a5noz7QZeZlo5&b=1AEknaFHmFF72xG2EaBvAw>



BOOMER PROJECT (cont.)

In fact, across all adults of any generation, the plans are to spend about \$827 this year versus \$965 last year. That's a decrease of 14%.

By generation, the numbers are revealing -- look at the [chart](#) (click to enlarge): [Generational Spending Plans](#)

The biggest planned spending cutback is among members of Generation X, those young adults (with young families) ages 28 to 43 in 2009. They say they will spend 19% less this year.

Boomers envision spending 14% less, Silent Generation members, those over 64 typically on a fixed income, plan a 9% reduction. Millennials, under age 28, say they'll cut back only 3%, but they also don't report plans to spend as much as those older adults, many of whom have children.

BIGresearch asks consumers how much they plan to spend on gifts for the family, friends, co-workers and others. In addition, it fields queries about spending on decorations, food, candy and greeting cards/postage.

Across those categories, Boomers plan to cut back spending about 14% evenly. Gen Xers plan to really stick it to their friends, reducing the amount spent on gifts for them some 32%. Ouch.

The Millennials actually plan to increase their spending on gifts for co-workers -- among those who have jobs, we suspect. Perhaps to show some love for still collecting a paycheck.

Boomer Bottom Line: We have seen the future and it stinks for retailers. Except for the discounters, few will experience much of a recovery this holiday season. People will still give gifts, but it is clear from the intentions shared last month in this survey that consumers plan to spend more responsibly.

Our recommendation to anyone living or dying off of holiday business results is to focus on offering value for the money, no matter the price. That's what consumers of all generations want. For sure.

For more information on the Boomer Project: www.boomerproject.com.

THE WEEK AHEAD

COMPUTER Workshops

Access III - Database Relationships and Queries	11/12/2009 (9:00am-12:00pm)	\$60.00
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(Prerequisite: experience using Access on a daily basis) Covers database terms and concepts. Build a relational database from scratch and create tables. Define relationships between tables and understand some rules for building a relational database. Write queries using the design view, SQL view, and query wizard. Create and understand indexes. Understand the basics of data model normalization and build a relational database from scratch.

Access IV - Visual Basic in Access	11/12/2009 (1:00pm-4:00pm)	\$60.00
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Manipulate data in your database using Visual Basic. Covers elements, dealing with datasets, higher-level error checking (checking against multiple items), and basic programming structures (statements, loop, and logicals). Programming experience is not required.

Excel I - Basics of Spreadsheets

11/17/2009

(9:00am-12:00pm)

\$60.00

Create data-rich, professional-looking spreadsheets. Covers the very basics of spreadsheets, from creating and saving to editing and formatting. Create easy-to-understand charts.

Excel II - Beyond the Basics of Spreadsheets

11/17/2009

(1:00pm-4:00pm)

\$60.00

Use comments, create conditional formatting, work with IF statements, link workbooks, insert headers & footers, sort lists, do more with charts, and create mailing lists.

QUICKBOOKS

QuickBooks

11/10/2009

(9:00am-4:00pm)

\$99.00

Covers the basic functions of this number one selling small business accounting program. In addition to this day-long workshop, receive the QuickBooks learning guide.

REGIONAL Workshop

QuickBooks – Eveleth

11/13/09

9:00 am – 4:00 pm

\$99.00

Workshops held at Mesabi Range Community & Technical College, 1100 Industrial Drive, Room 208, Eveleth, MN 55734. To register: 218-742-3438, schristenson@mr.mnscu.edu or www.mr.mnscu.edu/academics/ceclasses.html

Covers the basic functions of this number one selling small business accounting program. In addition to this day-long workshop, receive the QuickBooks learning guide.

The University of Minnesota Duluth Center for Economic Development offers numerous workshops to help entrepreneurs and employees operate more efficiently. **All workshops are held at the Duluth Technology Village, 11 E. Superior Street, Suite 210, unless otherwise noted.** To register call: 218-726-7298, 888-387-4594 or register online: www.umdced.com/workshops.

The mission of the University of Minnesota Duluth Center for Economic Development is to assist entrepreneurs and businesses to grow and succeed.

Funded in part through a cooperative agreement with the U.S. Small Business Administration, Minnesota Department of Employment and Economic Development and sponsoring centers. Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. For arrangements, contact: UMD Center for Economic Development, 11 E. Superior Street, Suite 210, 218-726-7298

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