

CxO Best Practices Breakfast Series - Proceedings from Session #1 – March 7, 2006

Cost Effective Marketing

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Description:

Every business function has parameters. Knowing how to distinguish what you want and what you can afford is a critical business skill and is especially true for marketing. Are you making the most cost effective decisions in the marketing area? What return are you receiving for your marketing strategies? Learn to utilize financial measures for your marketing strategies and discover the most cost effective ways to improve your results. As marketers, we know that the purpose of any business is to sustain the process of profitability in the long term. That process ultimately being marketing—and, more specifically, creating a sustainable brand.

Session Leaders:

Kate Lacey: Moderator, President American Marketing Association Austin Chapter

Sam Decker: VP, Marketing and Products, Bazaarvoice, Inc.

Christa Kleinhans Tuttle: Founder/President, Launch Marketing

Suaad H. Sait: CEO, ReachForce

William Leake: Founder, Leads Customer Growth (LCG)

Sam Decker

- **Focus on a great headline and offer.** This includes the subject line in the email, the header in the email, on an advertisement, or direct mail piece. Everything you do should have a strong and compelling call to action, preferably with a reason to act now. Even in relationship / enterprise sales, prospects need to feel a sense of urgency and excitement.
- **Leverage your customers' voice.** Find ways to let your customers' voice to be shared with other customers, such as online product reviews, case studies, or referral programs. Customers are more cynical than ever of what comes from the company. According to an Edelman study, trust in "a person like me" jumped from 20% in 2003 to 68% today.
- **Reference your customers' voice to develop your voice.** Research what customers are saying about your products or competitors' on the web, read customer service emails, listen to sales calls. Prioritize and write your benefits based on what you hear. Use their words for search keywords. Train sales on what customers say, how they say it, and how sales can connect to their perspective.
- **Build a "gravity well."** Time and money are two sides of the same coin. Put campaigns in place that get increments of time with prospects-newsletters, white papers, webinars, trials. These things are baby steps to getting a deeper investment in time, which results in higher trust and confidence, which results in sales.
- **Build suspense with sequential press releases.** Plan to launch a series of 2 to 3 press releases, which gives you a chance to tease the journalist with something coming. Either that opens up the door for a forthcoming conversation, or interests them in getting the information early.

- **Leverage your contact points.** Look at all the contacts you have with prospects and customers - sales, service, email, site, etc. - and build a process for communicating consistent messaging wherever relevant. For example, Stash Tea added their direct phone on the back of their tea packets served in restaurant. Now direct business is 25% of their revenue.
- **Launch a blog.** Blogs don't cost money, but they do cost time. However, good content will be linked to by others and picked up by search engines. Plus, you can leverage the content for articles and potentially a book someday. Write with keywords relevant to what prospects will be searching for. Link the blog to your corporate site. Decker Communications Inc. launched a corporate site and a blog (www.bertdecker.com) at the same time. The blog gets 4x the traffic compared to the corporate site from search engine, and over 1/2 of the corporate web site visits come from the blog.

Christa Kleinhans Tuttle

- **Create a clear call to action.** Make sure your call to action in every campaign clearly communicates what the recipient should do and what they will get for doing it. No matter the form of marketing used (a direct mail piece, an email campaign, an ad, etc.) the call to action needs to "jump out at you" through compelling language and a sharp design - it shouldn't be buried in the fine print nor stuck in a place that isn't obvious on the piece. Test your next piece by showing it to several people who haven't seen it yet- and ask them "in their first glance what are the three things that jumped out at them?" Key benefits and the call to action should be in the top three-if they aren't then the campaign needs more work.
- **Make your messaging concise.** Ensuring your messaging is relevant to the specific role/title you are targeting is critical. The best way to find out if the messaging is on track or off base is to survey your target audience. A good survey is conducted by a third party over the phone, includes open ended questions vs. listing options, interviews a mix of customers, prospects and former prospects (lost deals) and is conducted so that the interviewee knows their responses will be kept anonymous. By having a third party conduct the interviews you'll get more honest feedback, an impartial approach to the process and an independent analysis of the results.
- **Ensure follow-up marketing is part of every event plan.** Every event marketing plan should include pre-event, onsite and follow-up marketing activities. You should perceive an event as only being the "halfway point" for completing a campaign- immediate and effective follow-up specifically related to the event is critical to achieving high ROI. The follow-up plan, which ideally would be prepped and in place prior to the event, should: occur immediately after the event (within a few days at the most), be very personalized, tie back to the event in a way that the recipient will make a clear connection and should have a concise call to action tied to their level of interest at the show. For example, an IT Director who just stopped by a tradeshow booth is a more likely candidate for a technical white paper or an invite to a webinar than an IT Director who spoke extensively with sales, saw a demo and has a budget & timeline in place.

Suaad Sait

- **Who BEFORE How.** Spend time, real time, defining exactly who you want your message delivered to (exact target of the role within the business and type of business) BEFORE defining a campaign for it.
- **Evaluate lead costs.** It's not the cost of list rental; it's yield - think in manufacturing terms

- **If you are a B2B company, question a B2C model.** The hype factor is garbage. Is using Search engine marketing right for you as a B2B company or is it for online commerce?

Bill Leake

- **Create a testable set of Hypotheses before you start.** For example:
 - A sale from this campaign will be worth "\$ A dollars"
 - We are willing to spend "B %" of A to get the sale
 - C % of Quotes will convert to Sales
 - D % of Demo meetings will convert to Quotes
 - E % of "Qualified Leads" will convert to Demo Meetings
 - F % of "Raw Leads" will convert to "Qualified Leads"
 - Therefore, we're willing to spend *up to* "\$ G dollars" to get a "Raw Lead"
- **Optimize based on hard data.** Optimize, then iterate, and recheck hypotheses (see above).
- **Lather, Rinse and Repeat.** Test and retest your hypotheses over and over and over again.
- **Data is your friend.** Have people on the team that enjoy Excel, and for whom math class *wasn't* hard.
- **Track everything you can.** Track horizontally, across campaigns and vertically, from impression down to dosed sale.
- **Test multiple variants of things.** Test different offers, different titles, different copy and different graphics.
- **Build in assumptions.** Build assumptions for value of cross-marketing initiatives and integrated marketing campaigns (e.g. a cookie that can hold several promotional/tracking codes, with weighting values for each).

Adjourn

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