



Six Ways to Increase Marketing Return on Investment (ROI):

What Popular Culture & Common Sense Can Teach Us About Marketing

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Web-based marketing, paid advertising, direct mail, publicity and event sponsorships are only a few of the venues vying for your marketing dollar. Today's information explosion and proliferation of media outlets exacerbates the squeeze on marketing budgets.

Perhaps a Dilbert cartoon says it best. Dilbert is sent to the marketing department for a short-term assignment where a sign above the door reads: "Marketing: Two Drink Minimum." Indeed, there can be high costs to marketing activities with little or no return on investment (ROI) received.

Try these tested strategies to boost your firm's or your client's marketing ROI:



1. Planning

Few marketers relish developing the marketing plan, yet it's the cost of entry to reap marketing ROI. A good marketing plan incorporates the company's mission and takes into account both sales and marketing. Your mission, sales goals and marketing objectives must be laid out before you produce a brochure, issue a press release or design your Web site.

An effective marketing plan outlines your markets, target audiences, marketing and sales objectives (two distinct areas) and identifies specific marketing tactics to pursue. Marketing tactics are the individual marketing channels, types of advertising as well as publicity and marketing initiatives which will best convey your messages to your markets, achieve sales goals and maintain brand awareness.

Consider marketing planning as an ongoing cycle: develop, research and form your marketing plan, then implement the plan and evaluate results.



Rules: The dog wags the tail: affirm marketing and sales objectives, plan strategy, then select marketing tactics.

Tips: Like an annual physical, you operate in top form when you overhaul your marketing plan on an annual basis.
Revisit the plan as needed.



2. Making markets

What new markets can you create for your brand, product or service? What processes – such as conducting marketing research – and marketing programs do you have in place to stay ahead of your markets?

Consider the case of Swingline Stapler (www.swingline.com). In the dark comedy “Office Space” (1999), featuring Jennifer Anniston and Ron Livingston, Milton, a harassed office worker, often discovers his bright red stapler missing, pilfered by co-workers. The stapler in question was painted red for purposes of the movie. It wasn’t until three years later when Swingline introduced its Rio Red stapler to the masses, based on demand for “that red stapler” as featured in “Office Space.” Ironically, Swingline had declined a placement offer by the producers of “Office Space.” (See Footnote 1)

Swingline, a brand of ACCO World Corporation, nevertheless made the opportunity golden for the product by manufacturing the popular red stapler after receiving considerable inquiries for it. Swingline also performs a fair amount of consumer research to help devise new products, markets to teenagers, and runs an award-winning Web site to promote its products to harried office workers and consumers.

Rules: Cutting-edge market makers are tomorrow’s cash cows.
There are few rules in today’s innovative marketplace.

Tips: Definitely think out of the box.

3. Snooping

Are you missing market openings and marketing opportunities by failing to snoop on your competitors or fish for trends? Use of competitive intelligence is on the rise, according to competitive intelligence firm Fuld & Company, Inc. (www.fuld.com). Consider the minimal investment in time it takes to monitor your markets, scour databases and industry news sources for trend information that influences your market. The key is trolling for this information on a regular basis and acting upon the information in a strategic and timely manner. For insights from a research gumshoe, see “Research Tips: How To Get Information Like a Pro” (www.marciajedd.com).

Scores of case studies exist on how companies leveraged information from marketing research and competitive intelligence to stay out in front of the competition.

Consider the case of Kraft Foods (www.kraft.com). In an age where corporations like McDonald’s get bad press for being sued because their food products make people fat (no case has made it to court), Kraft wised up. The company decided to alter the content of its products and devise new marketing strategies as a result of many medical studies that found childhood and adult obesity on the rise. In summer 2003, Kraft announced its Obesity Initiatives, which include efforts to put the brakes on marketing to kids at schools and reduce its single-portion sizes. In 2004, Kraft will further its commitment to consumer health further when it implements additional initiatives under its newly formed Kraft Health & Wellness Advisory Council.



- Rules:** Learn from large companies; stay ahead of the game by tracking trends.
Obtain support from top management to buy into the use of competitive intelligence.
- Tips:** Never underestimate your competition.
Study the competition by investigating the personalities and moves of its management.

4. Blowing your own horn

What traditional and non-traditional media outlets can you leverage to reach your audiences? To break through the clutter, a marketer must become increasingly clever in today's crowded marketplace. Smart use of public relations (PR) and alternative marketing methods – no longer just paid advertising – are the price of entry to effectively build your brand and market your product or service.

A growing range of consumer products – including entertainment like movies and videos – are marketed via word-of-mouth marketing, viral marketing or what's otherwise known as buzz marketing. This is peer marketing, sometimes involving paid marketers placed near the consumer: online, in line at the grocery store, at a bar, etc. In the best seller *The Tipping Point: How Little Things Can Make a Big Difference* (2000, Little, Brown and Company), author Malcom Gladwell (www.gladwell.com), outlines the personality types who typically instigate these trends (Mavens, Connectors and Salesmen). Many a cigarette has been sold this way. So have video games and premium-vodka martinis. You are not just buying a motor scooter, you are buying a lifestyle and attitude. The same maxim goes for hip streetwear. (See Footnote 2)

Ten years ago, who would have thought that advertising in bathroom stalls, on gas pumps or on the sides of trucks would be hot marketing space? These are common advertising venues today.

Consider the case of BriteVision Media (www.britevision.com) which was founded in 1999 on the premise of offering advertising and marketing programs on the cardboard sleeves used to insulate beverages. BriteVision sells to 4,000 upscale coffeehouses around the world, offering its clients, who include a number of name-brand consumer products companies, unique marketing opportunities to literally have consumers hold their ads in their hands as they sip java. Moreover, BriteVision uses the sleeves to attach free samples such as Cremora powdered creamer, Splenda sugar substitute, Shout Wipes® or Wrigley's Ice Breaker gum, all products a consumer might want when drinking coffee.

- Rules:** Strive to ensure the message and the medium convey the *zeitgeist* of your brand.
- Tips:** Grease the wheels of print and broadcast media to increase your chances of placement: provide broad industry information or statistics the media can use.



5. Web marketing

How robust is your Web site and Web marketing plan? If inbound and reciprocal linking or site stickiness sounds like Greek to you, then it's time to improve your Web presence. A number of Web marketing initiatives – from opt-in e-mail newsletters to chat room discussions – can overtly or covertly sell your product or service on the Web. The point is you can be as quiet as a church mouse or as loud as a tiger on the Web because of the varied use of the Internet: from the one-page Web site to highly sophisticated Web sites and Web-based marketing techniques such as using embedded HTML tracking in e-mails and newsletters. Increasingly, emphasis is placed on keyword search terms. Remember, you are only as good as today's Google search on the Web where holders of the top non-paid keyword placement can change by the minute.

The good news is that the cost of development of Web sites has come down. This means that dynamic Web sites with predictive features or an e-commerce Web site with data capture capability isn't only for large companies with big budgets. Content management software systems are also affordable and user friendly.

Emerging trends, such as blogging, aren't for everyone. Like buzz marketing for consumer products, blogging is on the rise among businesses. Small businesses and the tech world are blogging: everyone from obscure Indian restaurants to big-name software developers like Microsoft and Macromedia. Technology-related research firms and techies also sponsor blog sites. Most are about the open exchange of information for like-minded communities. But beware, it's not all real. Mattel's MyScene™ Barbie site (www.myscene.com) features blogs by its marketer employees, not the consumer. Unless you are a MyScene™ Barbie, a multilingual consultant or a multinational company, chances are you don't need to operate Web sites in more than one language.

Rules: Seek the best IT help.

The level and sophistication of your Web site is directly related to the level of IT competence and your marketing budget.

Tips: Feature content on your site and the resultant keywords in source code which accurately reflect your business.

Use keywords and search phrases that your customers are likely to use in finding you, including any commonly misspelled words.

Place your targeted keywords in both title and description tags.



6. Measuring

Are you measuring your marketing programs? Can you tell your boss or your client that the direct mail campaign increased sales by a certain percentage or the number of leads or new customers generated by a specific marketing program? The ability to track and measure your results matters to your bottom line and the success of your marketing efforts.

Determine what procedures or processes you need to establish so you can measure results. This counts for failures too. If you marketed to 5,000 and you only received one sale, why? Low quality lists, poorly developed Web sites and other haphazard marketing communications efforts only achieve great results for the lucky.

According to a recent survey to 3,500 members of the Silicon Valley American Marketing Association on the topic of marketing ROI and marketing measurement, the vast majority of respondents said they measure marketing activities more than half the time. Top marketing vehicles for measurement included: Web sites, lead generation programs, events/tradeshows/seminars, and advertising including print, radio and Internet advertising.

Rome wasn't build in a day. Fine tune your plan periodically based on your results to achieve better response rates and returns next time.

Rules: Measure what you can. Volumes for Web traffic, customer inquiries and press mentions are easy hits.

Tips: When selecting marketing partners and vendors, consider their ability to help you track results.

Conclusion

When you increase your efforts or initiate programs using these six marketing strategies, you stand to maximize marketing ROI. What's in your marketing plan? For assistance in achieving your marketing ROI potential, contact Marcia Jedd, president of MJ & Associates at mj@marciajedd.com or at 612/805-1425.



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Footnotes:

1. Fowler, Geoffrey A. "Hollywood Ending: Stapler Becomes A Star." *Wall Street Journal*, 2 July 2002, B1.
2. "Alternative Marketing Vehicles: The Future of Marketing 'To One'." AC Nielsen: Consumer Insight magazine, 1 June 2003. Malcolm Gladwell, author of *The Tipping Point* contributed to the article. Note: at the time of the publication of this white paper (November 2003), the article was posted at: <http://acnielsen.com/pubs/ci/2003/q2/features/alternative.htm>, 07/15/03, 35908 bytes