

THE NEWS & OBSERVER



# 12 Steps to Success

How to be a Savvy Entrepreneurial Marketer

Grace W. Ueng

As published in the Raleigh News & Observer's Work & Money, this framework has served as the foundation in Ms. Ueng's entrepreneurial marketing course taught at UNC Kenan-Flagler Business School as well as international MBA program at Fudan in Shanghai, a joint venture with MIT Sloan School.

*Savvy Marketing Group*

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# 12 Steps to Success: How to be a Savvy Entrepreneurial Marketer

## **Bad Times Are the Best Time to Promote a Business**

The tendency in tough times is to shut off marketing. But bad times actually are the best time to promote a business, says Grace W. Ueng, founder and CEO of Savvy Marketing Group, headquartered in Research Triangle Park.

For starters, your message won't get lost in the clutter and you have more room to negotiate on price. Bad times also feed an entrepreneurial spirit as laid-off workers start their own businesses - and those startups need to market themselves to survive.

Ueng, who advises executives of high potential businesses and has served on adjunct faculty at UNC Kenan-Flagler Business School as well as Fudan, a joint venture with MIT Sloan School in Shanghai, offers her 12-step framework to marketing new and existing businesses.

### ***Step 1: Make marketing strategic.***

Make sure that management understands that "marketing is too important to be left solely to the marketing guys." Marketing cannot exist and operate in a silo; it should interact with the rest of the organization. The head of marketing should ideally help the executive team develop the company's business plan and strategy. Equipped with this big picture thinking, marketing is in a better position to help drive revenue and add to corporate value.

Investing in marketing earlier rather than later can offer strategic value. Choosing to invest only in a sales force over marketing will only lead to unhappy salespeople later. Highly compensated sales reps should not and do not want to spend their time doing marketing.

Likewise, investing only in research and development can cause problems if there's no thought put into how to market a new product, or even whether there will be demand.

"Entrepreneurial companies are always resource constrained," says Sean Murphy, vice president of sales, marketing, and business development at NeoNova Network Services, a Morrisville company that manages IP services. "Development's effort is best leveraged when you understand the voice of the customer. Our executive team has recently made

visits to our customers throughout the U.S., not to pitch new products to them, but to really understand their needs and pain points."

### ***Step 2: Devise a marketing plan.***

While many entrepreneurs wing it, their chances for success are much higher with a plan - hence the saying, "If you fail to plan, you plan to fail." If you need outside funding, an executive summary of a business plan is essential.

Often we are asked to help a company write a marketing plan, but we end up helping them with their overall corporate strategy and business plan, which should be decided before putting together the marketing plan.

Once you have a prioritized plan, revisit and track progress on a monthly or quarterly basis. If you don't plan for it, it won't happen. Otherwise you will be reacting and executing, not being strategic.

Compose a realistic budget and tie marketing investment to volume and profit. Create a fully integrated marketing plan. One-off marketing initiatives - ads that neither build on each other nor fall under fully integrated brand messaging - are often a waste of time and money.

Large companies with higher staffing levels can afford to have branding groups in a rigorous review and planning process mode for up to a quarter of the fiscal year. Entrepreneurial ventures simply don't have the resources to invest this much time, but they can mimic a modified process: Review business annually, boil a plan down to addressing three key issues (more than three are too many to remember, and then none will be accomplished well), and then write a plan to guide the next 12 months.

How are you going to resource marketing? What is your budget? What percent is it of revenue? Who will do the work? Companies sometimes have great ideas but no one to execute the tasks or vice versa - know what your talents are and where you need help and fill in as appropriate.

### ***Step 3: Grade your marketing plan.***

Does your plan contain a solid market assessment, thoughtful business review, definition of the top three key marketing issues, positioning and key messaging, road map for products and lead generation, marketing programs complete with budget?

Have you done each of the following:

- **Market assessment:** How big is the market potential in which you compete? What is the growth rate? How big will it be five or ten years from now? Who are your direct and indirect competitors? Do you have a competitive advantage that is sustainable and defensible? Ideally, you should. Do you compete in a growing or a crowded market? Are your competitors growing or shrinking, and why? If direct competition cannot be identified, is the market opportunity big enough? Or are you truly a "market maker"? This can be positive in that you are first to market but your challenge will be in evangelizing and educating, which means sales may be slow.
- **Business review:** If your company has been around for a few years, conduct a complete analysis of the business: What are its strengths, weaknesses, opportunities, threats? Review deals to date and the robustness of your pipeline. Review marketing: What in your sales kit is working? Missing? What is the quality of your leads? What should you continue? Stop? What are the three top sources of awareness? Internally: Who is contributing the most? Who is not? What outside marketing partners are working? Not?

In what markets are your customers? What additional markets would you like to target? What are your rates of trial and retention or repeat purchases? Awareness?

- **Corporate and product positioning:** It is important to have a quality foundation on which to build all communications. Positioning can often take hours if not days to think through carefully to net the concise and unique positioning in the mind of your prospect. Whom do you sell to? Who are the decision makers and who are the influencers?

What do you do that no one else can do? This is called a unique selling proposition and is a key question to answer.

"We've invested a lot of time in fine-tuning our corporate messaging - had an outside facilitator manage the process, included all functional groups in the sessions, and then shared the outcomes with customers for their feedback," Murphy said. "We look forward to rolling out the results with our various audiences."

Do not try to do all things for all people - focus and prioritize.

Is your product line too broad? Too narrow? What is profitable - what is not? What is your product road map? You should have a prioritized product pipeline to grow your company.

How does development get its market requirements? Are you in constant touch with your customers and target market?

- **Marketing programs:** Have clearly defined goals and objectives for each as well as how to measure return on investment before the launch of each program.

**Budget:** Be realistic. It is hard, if not impossible, to market with no financial resources or people. If possible, spend more in the first half of the year to affect the second half of the year positively.

## Workers, Customers Key to Marketing

### ***Step 4: Optimize resources.***

In a tough economy, getting the most for your marketing dollars is particularly important. If your company can't add to its staff by hiring an entire marketing department, consider outsourcing to get the talent that you need.

At Hosted Solutions in Raleigh, CEO Rich Lee saw an opportunity to attract customers in outlying markets so he created a position, vice president of marketing, and hired Noreen Allen for the job.

Allen, in turn, has gone outside the company to find the right partners, including a PR professional, to help get out Hosted Solutions' message. In doing this, Allen has access to senior level talent, but Hosted Solutions' payroll has not taken as large a hit.

Allen also believes that employees are a company's most important marketers. "By exuding passion for the brand, they become a walking billboard for your company," she says. "They talk to their friends and network. If employees feel good, they will become your brand champions."

Building a strong culture within a company can take time, Allen acknowledges. One of her first initiatives after being hired at the start of this year was to refine Hosted Solutions' mission, vision and value statement. Then, she created programs around regular communications with the company, including quarterly meetings to share goals and progress, roundtables with CEO Rich Lee, and "plug ins" where the company's seven offices connect for conversations, recognition and fun.

Allen, who created similar programs at SpectraSite, a Cary, NC telecommunications company that was sold to American Tower for \$3.1B, said that creating a strong culture drives high customer satisfaction, which in turn yields strong operating results.

### ***Step 5: Conduct actionable market research.***

Use qualitative and quantitative research tools, including customer advisory boards and satisfaction surveys, to validate your company's market potential, to test name, positioning or messaging, and to get regular feedback.

Sean Murphy of NeoNova Networks said that his company tested a qualitative customer survey and then rolled what it had learned into a quantitative customer satisfaction survey to calculate a "net promoter score." Companies obtain their "net promoter score" by asking customers: "How likely is it that you would recommend our company to a friend or colleague?" Based on their response, a customer can be categorized into one of three groups: promoters, passives and detractors. The percentage of detractors is then subtracted from the percentage of promoters to obtain a "net promoter score."

From this, the Morrisville company found many areas worthy of further exploration, including what products to emphasize and what products could be pruned. NeoNova then created an in-depth discussion guide and assigned and trained several team members to interview a dozen affiliates across the nation to truly understand "the voice of the customer."

Instead of conducting annual customer surveys, Cary-based SciQuest conducts research with one quarter of its customer base every three months. Jeff Woody, director of customer support, and Jamie Duke, chief operating officer, put together action plans based on the research to optimize its product releases each year.

SciQuest also has online community forums where users can vote on future features as well as an "open mic" night for customers at its annual user conference.

Such research has contributed to strong business results. SciQuest has seen more than 230 percent revenue growth over the last four years.

BlueStripe Software develops its products in part by having customers come into its Morrisville offices on a regular basis to test the latest versions. BlueStripe's employees then observe their behavior and get feedback that is incorporated into the product's design.

Randy Carter, whose title is user interaction designer, also gets a detailed study of the company's customers, their needs and challenges and a detailed list of the tasks they need to perform with the product.

### ***Step 6: Develop your elevator pitch.***

What and to whom are you selling? What is your unique selling proposition?

The importance of being able to concisely state your pitch cannot be overestimated. How sticky and memorable are you to your customers and prospects?

Dan Clem is director of marketing at AlertNow (acquired by Blackboard in 2010), a Raleigh company that provides a rapid notification service focused on the education market. The company targets its pitch to the district superintendent and his or her staff. Knowing that their product is not the cheapest option, Clem says, his message is reliability and customer service that answers phones 24/7.

"Make your customers happy," Clem says. "Then they become your sales force."

Of course, once you make your pitch, you have to make good on it. Clem tells a story about one customer who called asking for help in killing three scorpions in a vacation rental cabin. His team did their best to help.

## **What to Ask When Setting Your Prices**

### ***Step 7: Optimize Pricing.***

Pricing is a much debated topic for entrepreneurs launching products. A company does not want to price too high and be unobtainable. Nor does it want to leave money on the table by pricing too low.

The best way to gauge pricing is to ask prospective customers. But just asking them what price they would pay has a couple of problems. People often tell you what they think you want to hear. If the product is truly new, they too will have trouble coming up with a price, because they have no benchmarks.

One method is an online, random sample survey that describes and even shows pictures of the product. Then, ask four questions:



1. At what price would you consider this a bargain?
2. At what price would you consider this expensive?
3. What price would be so inexpensive that you would question the quality?
4. What price would be so expensive that you would not consider the product?

The intersection of the plotting of the four curves resulting from the answers leads to a price point and an optimal price. By asking for prices rather than having them react to given price points, you get an unbiased, frank pricing range and optimal price for the product.

Our firm was asked by Morrisville-based Centice to conduct pricing studies for its Pass Rx pharmaceutical verification product. Since there was no other product like theirs on the market, we researched pricing by conducting one-on-one interviews with decision-makers and influencers attending a national trade show where Centice was already planning to exhibit. We drafted price-related questions to be asked after the pharmacy staff saw a demo of the product. We offered a Starbucks gift card for their time.

Later, we followed up with a subset of those interviewed, asking questions drafted after analyzing the results of the trade show findings. We also followed up by phone with another target segment not represented at the trade show.

Clay Ritchey, vice president of marketing and strategy for Hill-Rom IT Solutions, faced a very different situation from that of Centice: Their product had established competition. So they pursued a feature-based pricing strategy.

"We wanted to be able to make sure that our system was being evaluated, from a price perspective, on an apples-for-apples comparison with the competition," Ritchey said. "So we priced the base system (which had apples for apples features with competitive offerings) to the competitive market pricing our research had provided us.

"This is a start low, go high strategy. With a baseline established at parity, we then are able to value price the additional options and modules to the baseline."

They also conduct return on investment studies and win/loss analysis that gives them a view of market pricing and value pricing.

Other questions: How many components make up your product? Is there an initial investment required followed by regular updates or add-ons? In order to make the hurdle

of market entry lower, can the initial investment be staged as a loss leader and investment in order to gain future revenue from that same customer?

Are there options to lease versus own on higher ticket items? What is the best way to make the entry point attractive to the purchaser?

Can you offer different pricing and product variations to different channels based on their pricing sensitivities? Are there certain pricing thresholds that require an additional level of approval which could slow or halt the sales process substantially?

How much in demand is your product, and how many suppliers are there? If your product truly is unique, you can demand a higher price.

It is important to classify your product in a realistic light. Has your product offering become nearly a commodity? Or is it truly a luxury class product or service?

Remember that while it is easy to drop a price, it's harder to increase one, so be careful about discounting. Consider instead offering a trial price as well as volume pricing.

If you must discount, be sure to get something in return that will help you build your business such as speaking on your behalf at an industry show.

## To Be Noticed, Sponsor Events

### ***Step 8: Generate awareness.***

Sean Murphy said that online seminars have been effective at NeoNova, where he is vice president of sales, marketing and business development.

"Earlier this year, we were the first to market with timely content and commentary around the broadband stimulus program aimed directly at our customer-base," he said. "We pulled together our webinar on a sprint speed schedule before others were able to and captured the lion's share of prospects interested in this topic. The feedback was very positive."

Dan Clem, director of marketing at AlertNow, said that sponsoring an event such as a breakfast at a state school board event gives him 10 minutes to speak in front of a captive target market. Rather than using that time to have an employee speak, Dan prefers to be introduced by a happy customer who tells the AlertNow story.

Lee Prevost, president of SchoolDude.com, said that his company has used trade shows and associations, as well as newsletters. Going forward, it will use professional online networks.

Hosted Solutions has sponsored events to establish brand awareness.

In the competitive markets such as Boston in which they recently entered, choosing to sponsor events that position them to look bigger than they are is key to winning business when competing against giants.

But Noreen Allen, vice president of marketing for Hosted Solutions, warned to be careful with sponsorships: "Do things that are more memorable. Constantly evaluate what is working and not working. Try new things - we took customers whitewater rafting - it was a new thing, as football and hockey can get old."

Hosted Solutions has also used social media successfully to create awareness of their events. Allen said that LinkedIn was useful for promoting an event this past summer that attracted a large crowd. She is a big fan of influencer marketing and plans to do more with the company's blog and Twitter by commenting on hot topics in coming months.

## Let Client Guide Promotion

### ***Step 9: Promote yourself.***

If your product is sold via channels, think through ways to promote to a corporate buyer as well as retail customers. For some businesses, the majority of revenue occurs in key seasons such as the holidays or summer vacations. Promoting valuable offers, unique products or gift packs to induce trial of incremental offerings could create the key difference in reaching revenue goals.

Lulu.com, headquartered in Raleigh, is a digital marketplace that serves both authors and readers. The company needs more authors to attract more readers and more readers to attract more authors. The marketing staff thinks about both groups in approaching promotions.

"For authors, one of the most compelling aspects of Lulu is that it's free to publish. We charge no upfront fees," explained Rob Croft, director of marketing at Lulu. This year, Lulu built a campaign around that fact. It promoted its free platform and the availability of

free ISBNs. And the company threw in a free book so authors could experience the satisfaction of seeing their works in print. Lulu relied heavily on search engine marketing, which gave the highest return on investment for acquiring new customers.

As it turns out, authors also are instrumental in book sales at Lulu. They all have a base of readers and are always eager to encourage them to buy. This year, Lulu started monthly sales contests for its authors. The company gave participants coupons to promote their books and offered tips on increasing sales. It awarded cash prizes to winners. This program created both community and action.

"We planned a number of 'doorbuster' deals on Black Friday and Cyber Monday to drive sales," Croft said. "Every day in December, we'll have a different promotion to help our customers find and create memorable and meaningful gifts at the best prices. We'll also have a gift ideas page with our holiday pricing."

All of the promotions Lulu is running this holiday season have been informed by experiences in the prior 12 months. The company has spent much of the year looking at ways to drive more transactions during off-peak periods.

Not everything Lulu has done has worked, such as promoting hardcover books, Croft said. Hardcovers fall into the luxury category, making it harder to drive sales even with promotions, Croft said. Know your audience well and assemble your promotions accordingly to be most appealing.

Promotions can be used to launch new companies and their products as well as mature companies - with the latter being often more challenging to make compelling. While the brand's heritage may be more established, it is more difficult to come up with a promotion that seems new to the target market. Years ago, when I was responsible for consumer product line management for a publicly traded educational software company, I was responsible for a mature software title that you may remember playing in school called Oregon Trail. As I was brainstorming the possibilities one day, I remembered that the 25th anniversary of Oregon Trail's first version on the teletype computer was on the horizon.

I worked with our team on a 25th anniversary edition of Oregon Trail complete with serialized limited edition authentication certificates, classic versions along with the latest on one disk, all captured in a wooden keepsake box with western wagons burnished along the sides. The title quickly rose to the top 10 of the educational software rankings.

No matter what product or service you offer, take the time to step back and brainstorm compelling promotions, keeping your revenue goals, product attributes, its newness (brand new or mature?), target audience and ties to a season in mind.

## Be Sure Participating In Trade Shows Will Pay

### ***Step 10: Get leads that generate sales-Part A.***

Continually test appropriate lead generation vehicles that make sense for your category such as e-mail marketing, search engine optimization, paid search, direct mail, targeted trade shows and conferences, or a motivating referral program. Track the return on investment of each marketing program to know what to refine, continue or drop.

Sales teams will always desire high quality leads. They don't want to be calling into unqualified opportunities. Clay Ritchey, vice president of marketing and strategy for Hill-Rom IT Solutions, made the promise to his sales organization that marketing would not hand over leads unless they met certain criteria.

Ritchey explained that leads handed over to sales must have a budget and accountable decision maker, a demonstrated need that Hill-Rom can fulfill and a timeline to purchase within 12-18 months. The sales team then agrees to make contact within a week.

Dan Clem, director of marketing at AlertNow, said that large events have proved the most effective in reaching his company's target audience, K-12 educators.

Events require great attention to detail before, during and after the show. Companies should step back and think through the goals and corresponding key components to their trade show and conference sponsorship strategy to warrant the investment required. Goals could include: driving awareness with media and analysts who can influence the market, generating prospects for sales, and connecting with potential partners.

Often the leads generated from trade shows are not as targeted as with other marketing programs.

### ***How to evaluate***

Before signing on for a trade show, evaluate:

- Is this a must-attend show (especially, to continue to be on good terms with a key partner)?
- Will there be opportunities to speak that can contribute to your company's stature as a "thought leader"? You may need to plan months in advance of the show to make their deadlines. Develop a couple of topics.

- Is the timing appropriate to launch a new product? If so, be sure the product is ready by show time.
- How many attendees does the show organizer expect, and what titles and companies will be present? How closely does this fit with your target audience?
- What is the total cost of the show, and what is predicted average cost per lead?
- How many people will it take to staff, and can you afford to take sales reps out of the field - is this the best use of time? If not, do you have non-sales staff available? Or a hybrid approach?
- What press will be attending? Can you get the media list and make appointments ahead of time?
- Can you obtain an attendee list to market directly to each before and after the event?
- What are booth size choices, and what will be your messaging, promotional idea, and signage/communications? How will you stand out?
- Can you get prime positioning by registering earlier? What size booth are your competitors taking?

Before an event, train the staff with key messages and answers to frequently asked questions so that everyone will be singing off the same song sheet. After the show, see whether it makes sense to provide an immediate follow-up e-mail to all those who attended. Social media such as blogging and micro-blogging should be used throughout the event. Follow-up is best within hours of a show while attendees are still excited about what they saw. If an event yields a large volume of leads, an e-mail marketing campaign is a good way to help get to them.

Analyze the return on investment of the past year's shows - what the total costs were, how many leads were generated and what business (deals, public relations, partnerships) yielded as a result.

Immediately upon accepting the worldwide marketing leadership role for TogetherSoft in Raleigh, I inherited the responsibility for launching a new product at the largest trade show in the category we competed.

I thought about how we could let our broader target market that would all be in attendance (many of which used our competition) learn about the key attributes that our smaller, but

loyal users had come to rely on. We came up with "The TogetherSoft Challenge" a la the Pepsi Challenge.

From my research, we knew where we excelled, and we crafted a simple survey for software developers (our target audience) to rate us against our competition after viewing the latest version of our software tool. Those that viewed the demo and then took the survey were entered into a drawing for a BMW StreetCarver skateboard.

We had hundreds participate after viewing our demo and more than 90 percent thought TogetherSoft performed better and was the preferred product.

We outreached the survey results to trade publications and industry analysts resulting in extensive coverage. Several months later, one of the two competitors of TogetherSoft purchased the venture-backed company.

## Use Web Marketing to Boost Sales

### *Step 10: Get leads that generate sales via Web marketing-Part B.*

Because the majority of Web site traffic comes from search engines, many companies want to focus on better positioning. First, you need to determine whether your target audience will search online to find you. If so, invest energy in search engine optimization. This means ensuring that your Web pages are accessible to search engines and structured in ways that improve the chances they will be found and listed as far to the top of the list as possible.

Companies can also take advantage of many paid search vehicles which are usually measured by "pay per click."

E-mail marketing firms have found their business to thrive in the down economy, perhaps because this form of marketing is cost effective and when well-executed, can bear fruit. Winston Bowden, vice president of sales and marketing for Durham-based Contactology, offered this advice:

**Segmentation:** Segmentation means sending multiple versions of your message with the needs of different groups in mind. Sending relevant communication through segmentation is a sure-fire way to increase response rates. Our customers segment based on a variety of data points: who has opened an e-mail, who has clicked, who hasn't responded, etc. For

example, a marketer might send a follow-up campaign to all the recipients who clicked on a link in an e-mail. Segmenting by demographic data is also critical, especially for retailers. It's likely that your male customers have different needs than your female customers. An 18-year-old customer has different needs than a 50-year-old customer.

**Testing:** Testing your campaigns is a great way to ensure response rates. Many e-mail marketing products offer testing, allowing marketers to send several different versions of an e-mail campaign to a small portion of their list. For example, you could send three different campaigns and try three different subject lines. You would then send the campaign with the highest open rate to the remainder of the list. You can test any portion of an e-mail campaign: subject line, imagery, copy variations and design elements.

**Deliverability:** Regardless of your industry and what goals you associate with your e-mail marketing campaign, Bowden said there are some core "must dos." Deliverability should be the No.1 concern of every e-mail marketer. If your message doesn't make it to the inbox, your campaign has zero chance of success. Work with an e-mail marketing provider that maintains strong relationships with the Internet service providers.

**List quality:** Just as important is for the sender to obtain permission before sending to an e-mail address. Individuals on the list should have asked to receive it. E-mailing to a purchased or rented list is not an acceptable practice in the e-mail marketing industry. Most reputable providers won't work with any list that isn't 100 percent opt-in.

What this means for the marketer is a robust marketing plan to get opt-in subscribers. Place a sign-up button on your Web site. You can also run paid search campaigns that direct Web traffic to your opt-in form. If you're a business with a physical presence, include a sign-up form at your front desk.

How often you contact your target customers depends on the expectations the marketer has established with its recipients. A news organization might send an e-mail every day. A retailer, however, may send only a few e-mails a month.

The key is sending valuable content. Don't waste your recipients' time. If you send too frequently, you risk alienating your list. That means fewer individuals will open and click on your messages. Even worse, it's likely many of your subscribers will request to be removed from your e-mail offers.

Email marketing is "the ketchup on the burger" for companies and organizations using the Web to drive sales.



Place links on your Web site so visitors can easily opt-in to your communications. Without e-mail marketing, a visitor to your Web site could browse and leave. No sale. With e-mail marketing, a visitor to your site can choose to opt-in to your e-mail content. You've taken what could have been a lost prospect and turned them into an e-mail subscriber.

**Responsiveness:** Once you have signed up subscribers, reward them with coupons and special offers. An opt-in is a clear sign of interest. Send them e-mail immediately and include lots of links back to your site.

Highlight any special sales, new products or industry news that they might find interesting.

Most importantly, segment your e-mail marketing based on whatever data you've collected about the subscriber: location, age, gender, etc.

## Sales, Marketing Must Cooperate

***Step 11: Increase correlation between marketing and sales.***

***Step 12: Set metrics upfront.***

Set metrics upfront-quantitative measurements for all marketing activities to guide progress and performance against business goals.

Indeed, why does marketing exist? To drive sales and find customers for businesses, I have always believed there needs to be a tight correlation between investment in marketing and resulting sales. Marketing is more of a science than an art. When planned and executed the right way, marketing is an investment, not an expense.

Just as Six Sigma is to manufacturing, science should and must be applied to marketing. When was the last time you gave your marketing plan a performance review or invested in an external audit? Marketing is core to every business. Marketing is not just the "fluffy stuff." Marketing solves people's problems with products and services at a profit. Give it the attention it deserves.

I was attracted to join General Mills straight out of business school - the brand management program promised us experience in general management with P&L responsibility. They lived up to that promise. When I worked in brand management at Clorox, our leader ingrained in us that every action we took needed to affect volume and profit; otherwise we shouldn't be investing our energies. For instance, when I was assigned

to the Clorox liquid bleach brand, we painstakingly analyzed every proposed trade promotion based on historical trends to make sure each would pay out at an acceptable level before approving the spending. Nearly two decades later, our clients today expect and deserve exactly the same from their investment in marketing.

Do you want to earn the confidence of your CEO or CFO? Don't complain if you don't get your budget approved if you can't deliver the plan for measuring return on investment on your marketing investment. By setting metrics upfront, you can decide what programs to continue, stop or tweak. Be sure to know how you will define success, in both the short term and the long term. Sales cycles in business to business segments can often be months to over a year in length, so the true return takes time to monitor. In consumer categories, the products could be fast-moving consumables where ROI can be measured sooner. Regardless, the sales organization holds short-term targets. Marketing needs to think also of long-term implications and own the metrics of brand and customer equity.

### *Create Benchmarks*

At General Mills, we conducted market research studies to predict what premium (toy in the cereal box) ideas would help sell best. At Sports Illustrated, using historical response rates, we were able to forecast what offers would allow us to most likely attain our circulation targets. For much smaller companies, there is often little to no historical data, no benchmarking. So entrepreneurs have the opportunity to create the starting point. For instance, each new trade show can be a comparison point - track cost per lead generated at each show and compare against each other.

In addition to these quantitative data can be an overlay of qualitative comments to be considered in decision-making. When I joined my first smaller company, I was amazed how colleagues in the industry would get out and compare notes. Talk to those you meet at industry events or friends in similar companies to collect additional data points.

Decide earlier rather than later what customer relationship management (CRM) system will be fitting for your company. When used well, a CRM tool will aid tremendously in tracking quantitative and qualitative metrics for a marketing campaign.

Jeff Slater, the director of global marketing for Nomacorc in Zebulon, said, "We view our Web site as analogous to a trade-show booth. Just like at a trade show, where you would establish a target of qualified visitors spending quality time at your booth, you want the same for your company's Web site. Using easily accessible tools like Google analytics allows you to easily determine how much time each visitor spends with you. You want to know that they have gained the information they need and to ultimately convert them.

"The overall idea is to establish metrics for each marketing activity and each year, continue refining. How would you know at the end of game if you won if you don't keep score? Keeping score is vital."

### *Sales, Meet Marketing*

Marketing should develop a close working relationship with the sales organization. Yet the two are often combative. Professor Ben Shapiro of Harvard Business School, an international authority on sales management, said the biggest problem in business today "is that sales and marketing are in different fiefdoms. They don't even talk to each other."

I've had the privilege of working with three Research Triangle Park, NC sales executives who have all gone on to start and run new businesses: Tom Hanlon at OpenSite, who is now a partner with A Shred Ahead; Scott England, vice president of business development at Zift Solutions; and Greg Burnell, who headed up sales at TogetherSoft and then founded 6th Sense Analytics. As the vice president of marketing, it was my priority to collaborate closely with my sales leader counterparts. I would sit in regularly on their sales meetings to understand their pain points and how marketing could best assist. A decade later, Tom and I can laugh about the "positive friction" we created between our two groups that actually helped drive our revenue targets. We were acquired by Siebel Systems, at the time the world's fastest-growing software company, two years after I joined. Siebel was looking for online auction software technology to add to their product mix, and our brand and customer equity outshone the competition.

At OpenSite, I asked each member of my marketing team to buddy up with a member of the sales team to really understand their prospect opportunities and challenges. While at The Learning Company, I traveled with our vice president of sales and his key account executives on corporate calls to share marketing programs that would help drive sales. Marketing should have a chance to walk in the shoes of the sales team. Offer to go on calls to help make the pitch.



## About the author

Grace W. Ueng, founder and CEO of Savvy Marketing Group, has a passion for success and carries this desire to her clients. Her work experience spans from consulting for global strategy firm Bain & Company to working inside Fortune 500 brand leaders Time Inc., General Mills, and Clorox to contributing to five technology ventures that had successful exits through public offerings or acquisition. She has been a key member of executive teams that have delivered to investors a return of over \$1 billion.



She is sought after internationally for speaking engagements and has served as adjunct professor teaching “Entrepreneurial Marketing and Innovation” for Fudan’s International MBA program in Shanghai, a joint venture with MIT Sloan School. She has also served on adjunct faculty at University of North Carolina's Kenan-Flagler Business School. Ueng earned her undergraduate degree in management science from MIT and her MBA from Harvard Business School.

Ueng serves on the board of directors for RemedEase, Live Learning Technologies, and board of advisors for Virtual Heroes (acquired by Applied Research Associates). She is also an advisor to the North Carolina Chinese Business Association, director of The Harvard Club of Research Triangle, and a trustee for The Leukemia & Lymphoma Society.

## Who we are

Headquartered in Research Triangle Park, NC, Savvy Marketing Group is a strategic marketing consulting and advisory firm that focuses on value addition for companies wanting to advance to the next level. Our consultants bring their wealth of experience to add immediate value to each client situation.

## Who we work with

Since 2003, we have served over forty clients with a strong focus on value addition. We are typically hired by the CEO or a senior executive to fill the interim marketing leadership role or to address a key strategic issue warranting third party exploration due to tight timelines or need for neutrality and outside perspective.

## How we help

We provide companies seeking new avenues of growth both strategic counsel as well as additional marketing muscle by offering outsourced CMO and team implementation services.

### **Resolute Ventures™**

- Packaging of Business Plans
- Preparation for Fund Raising
- Advisory Board Formation
- Due Diligence
- Presentation Coaching

### **Chief and Crew for Hire™**

- Deep Dive & Discovery™ including Competitive Analysis
- Marketing Audit
- Marketing Plan & Implementation
- Vision and Mission & Positioning and Messaging
- Market Research: including Market Assessment, New Products, Net Promoter Score

## What clients say

Results from independent market research reveal high marks for Savvy Marketing Group:

- 100% rated overall value to their business either ‘very high’ or ‘high’.
- 95% of clients were either ‘extremely’ or ‘very’ satisfied and were ‘definitely/likely’ to refer to colleagues.
- Savvy’s Net Promoter Score® ranks among the best, same decile as Amazon and eBay, which is just above Apple and Southwest Airlines.