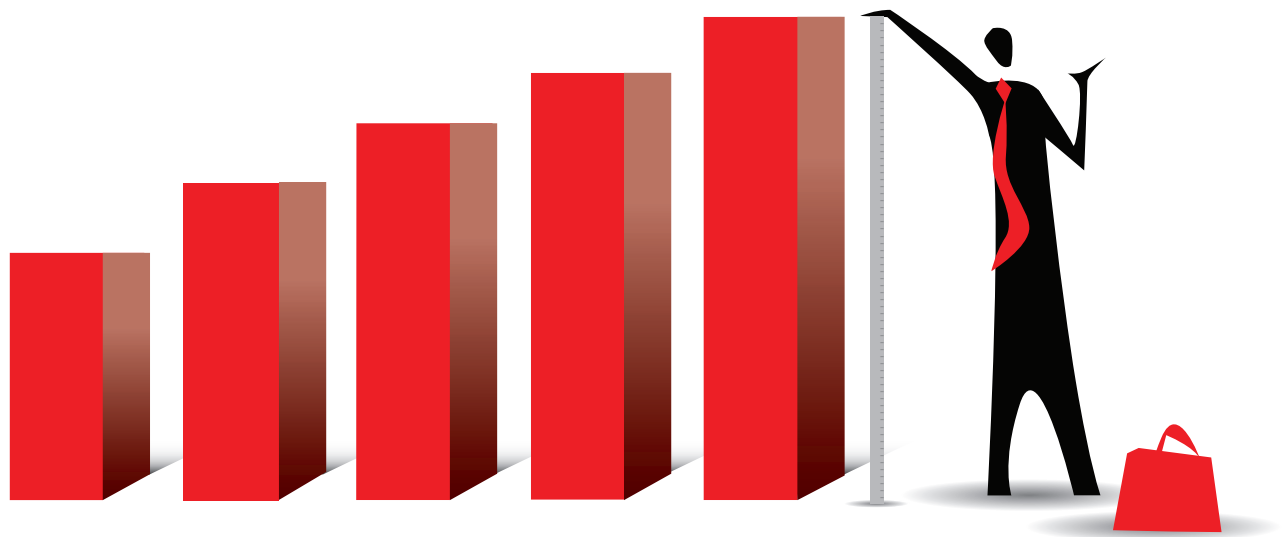


10 Marketing Mistakes Many Companies Make

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Like many initiatives undertaken by a busy enterprise, marketing is subject to natural tendencies that can hinder the overall effectiveness of the effort.

The fact is, we all have a tendency to fall into patterns – to focus on immediate issues while losing sight of the big picture, and to rely on ‘tried and true’ methods that are actually becoming outdated and ineffective.

Here are a few of the common pitfalls that can easily creep into a marketing process. Companies with the will and focus to weed out these issues can greatly strengthen their overall impact and results.

Too much focus on prospecting vs. retention.

Maybe we just love the thrill of the hunt. Somehow it’s much more exciting to go after a piece of new business than to service the heck out of a current customer. The fact is, it’s much easier and less costly to generate additional business from customers and clients who are already loyal members of your tribe.

In his book, *The Loyalty Effect: The Hidden Force Behind Growth, Profits and Lasting Value*, Frederick Reichheld showed that making loyalists out of 5% of your customers can boost average profit-per-customer by 25% to 100%. When you consider that acquiring a new customer can cost 6 to 7 times more than retaining a customer, the opportunity costs of focusing too heavily on prospecting are substantial. The key is to view and value loyal customers as acquired assets.

The lack of a strategic plan.

For decades, the “we need an ad” mentality has been alive and well. Sometimes the motivator is a sudden deal on ad space offered by a media rep. Other times, it’s driven by the perceived need to respond to a competitor’s latest salvo.

The fact is, it’s usually more effective to create a long-term strategic plan as opposed to the kinds of reactive approaches that even savvy marketers manage to fall into. A solid plan, for both message content and your overall channel mix, is usually the result of deliberate, unhurried thinking. This often leads to surprising questions like: “Why does it even have to be an ad?”

Not measuring what you market.

While it's true that marketing is an inexact science, companies now have more ways than ever to effectively evaluate program results. This includes the ability to monitor response and success rates in real-time – enabling them to fine-tune messages and channels at a moment's notice.

Experts today maintain that at least 10% of a company's marketing budget should be reserved for testing and measurement. Considering today's proliferation of marketing channels – and the relative noise level within these channels – measurement is more crucial than ever to ensure that maximum ROI is being generated from your overall effort.

Broadcasting catch-all messages vs. creating relevant content.

In the boom times of yesteryear, it was so easy to be good. The well-paved road to success was essentially to buy large amounts of media time – to broadcast generic messages to the waiting masses – and then see what sticks.

Today's consumer has been hyped-out to the nth degree. Interruptive tactics and non-targeted messages are now viewed with indifference, and even disdained. That's why smart marketers are taking steps to attract niche audiences with content that engages them. In this way, they create a meaningful dialogue that helps build a tribe of loyal followers who actually look forward to their next communication.

Viewing marketing as a department as opposed to a way of life.

Today's enterprise has the ability to market itself in countless ways, yet many people still view marketing as the exclusive bailiwick of a specialized enclave. The fact is, just about everything a company does has a contributing role in its overall marketing plan.

Truly effective marketing is a comprehensive and holistic effort. It's the result of nurturing a customer-centric culture that permeates every facet of the organization – from the way the receptionist greets customers in person and on the phone right down to the way a product is packaged and presented by the shipping department.

This is why savvy enterprises look for every possible means to provide the wow factor that leads to long-term customer relationships. These include value-adds such as; incremental improvements in products and performance, strategies for providing above-and-beyond customer service, and innovative delivery systems that increase customer satisfaction and brand loyalty.

Relying too heavily on mass marketing.

Mass marketing has always been expensive, hard to measure, and wasteful in its buckshot broadcasting approach. Today, it is also has the added charm of being largely ineffective.

Today's wealth of Web 2.0 tools have effectively leveled the playing field for small to mid-size companies. As a result, the smarter and more cost-effective strategy is to craft a mix of traditional and new-media methods to build brand awareness, buzz and interactive engagement across multiple channels.

Focusing on the product instead of the experience.

In virtually every market niche, you'll find a slew of products competing for attention. Most of them have substantial product qualities and features. For this reason, the customer experience has become the real differentiator in today's post-modern marketplace.

Panera Bread has a varied menu of quality food and beverage choices, Yet it's the extras such as home-like seating, the cozy fireplace and the free WiFi that have really made it the gathering place of choice. Or consider the sleek, engaging environment of an **Apple** Store augmented by knowledgeable staff who can guide you through both the buying and ownership process for a Mac.

Enhancements for your own brand experience don't have to be earth-shaking. You just need additional reasons why a loyal customer should think twice about switching allegiance to a competitor.

Not closing the loop with the sales team.

A marketing campaign has traditionally been viewed as a success if it simply generates leads. But now more than ever, the quality – not the quantity – of generated leads is where the rubber meets the road.

A symbiotic relationship needs to be developed between sales and marketing. To this end, smart companies are instituting software and operational processes to establish and enhance this synergy. The goal is to ensure the continuous communication and feedback needed by marketing to analyze the performance of various channels.

Fortunately, available tools for empowering sales and marketing collaboration are more numerous and robust than ever. The idea is to establish an ongoing exchange that creates a common view of what a prime prospect looks like, how that prospect likes to be reached, and what it will take to bring him or her into the fold.

This crucial connection enables marketing to create campaigns that keep prospects engaged across the extended sales cycle – while helping the sales staff streamline the process by identifying the low-hanging fruit.

Too little time engaging with customers.

Direct customer interaction has always been invaluable for building customer relationships. Today, the marketing strategies of savvy companies are driven by customer feedback, as opposed to restrictive product offerings.

With the powerful interactive Web 2.0 tools that are now readily available, it's easier than ever to engage with customers in a variety of ways. The result is a truly customer-centric marketing effort that regularly interacts with customers in the mediums they're most comfortable with.

For instance, while phone follow-up is as viable as ever, the time-shifted nature of permission-based email feedback can be easier for some customers. Blogs are another effective way to gather valuable feedback. The resulting exchanges can also be used to create a community of followers – people who also engage with each other and learn from their common experiences.

Underestimating the power of frequency.

In a perfect world, you'd be able to create a solid ad or commercial – run it in just the right spot on just the right day – then sit back and watch the responses come in.

The fact is it's less and less common for consumers to make an immediate decision. An effective marketing effort is more like a marathon than a sprint – especially in today's over-communicated society. The first impression will probably just get them thinking about your product or service. This is usually followed by periods of on-again, off-again comparison shopping – during which they're viewing your competitors' propositions as well.

It's more important than ever to strategize your overall media effort to gain as many impressions as possible over time – in as many channels as possible. The idea is to maximize your accessibility to potential customers – to be visible when they're ready to make a decision.

TribalVision is a marketing consulting firm whose mission is to help small to midsize companies market smarter. As a marketing department for hire, TribalVision is a flexible, cost-effective alternative to the traditional marketing solutions available to the business community. The TribalVision value-add includes the crafting of strategy, channel-mix optimization, tactics implementation, executive leadership services, and the building highly differentiated brands.

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