

THE CMO'S MOST IMPORTANT INITIATIVES



Nothing about marketing is easy anymore. Your CEO wants big results, your CFO wants you to come in on budget, and your staff wants assurance you're headed in the right direction.

Big data is demanding your attention, channels are proliferating, your team has record-high numbers to hit, and customers are fickle.

Wouldn't it be great if you could compare what you're doing with how other marketing leaders are dealing with these challenges?

Good news: We tracked down a number of CMOs and other marketing executives to ask what steps they're focusing on to grow their sales and revenues, and what they're doing to avoid problems. Here are the consolidated results, with a few choice quotes highlighted. See how you stack up...



Step #1 Align Brand Essence with Customer Needs



Step #2 Use Marketing Segmentation to Improve Message Relevancy



Step #3 Use Targeted Content Marketing to Move Prospects Through the Sales Funnel More Rapidly



Step #4 Use Tracking and Analytics to Measure the Effectiveness of Your Campaign



Step #5 Understand that It's About a Holistic Approach to Marketing



Step 1: Align Your Brand Essence with Your Customer's Needs

The starting point for any successful marketing campaign is to ensure that your product or service truly aligns with your customers' needs. One way to accomplish that is to think backwards and get inside the minds of your customers and prospects.

What does that mean? It means that you start by understanding what it is that your customers are actually buying from you. Once you've figured that out, you can work backwards from there to ensure your brand is aligned with their needs.

For example, what do you think a customer is buying at Starbucks? Are they buying a strong cup of coffee? The answer to that is both yes and no. On the surface, they are buying a strong cup of coffee, but when you dig down, what they're really buying goes much deeper. People who buy coffee at Starbucks are also buying the cool factor of Starbucks. And it doesn't stop there. They're buying companionship, and the background music, and the smell of the roasting coffee, and the way the barista greets them, and other things that go deeper than just a cup of coffee. In essence, they're buying the way the Starbucks lifestyle makes them feel about themselves, and about Starbucks.

When Starbucks launches one of their new initiatives, they start by getting inside the mind of their customers and thinking backwards from there. All businesses should use that as a model for how to develop their own initiatives.

When we interviewed our list of executives, one of the more important topics that came up was that they wanted to understand what it was their customers were buying, at a deep level, and make sure that their brand aligned with that.

Here's what Michael Rettig, Co-Founder and CMO of Hotspot Revenue, a proximity marketing firm, said about his initiatives on those lines.



Before you do any marketing of your product or service, you have to look at what your customers really need from a logical and an emotional standpoint. Then, you have to look at what your brand can provide on that front. Finally, you have to build a bridge between what the customer needs and what the brand can provide. That's what marketing does and it's the secret to a successful campaign.



**—MICHAEL RETTIG
Hotspot Revenue**

Step 2: Use Market Segmentation to Improve Message Relevancy



Once your brand is aligned, the next step is to **make sure the right message is getting to the right person**. Market segmentation can help you do that. Why is market segmentation important? Here's why: if you try to sell running shoes to a couch potato, no matter how well your message is presented, and no matter how amusing or amazing your ads are, you won't sell many pairs of running shoes to someone who doesn't run.

Shahrzad Nadizadeh, who heads up marketing at Jaipur Rugs, echoed this point when she said that market segmentation helps her do a better job of ensuring the right message is getting to the right person – at the right time.



It's a common instinct for any company to want to appeal to a very broad customer base with a blanket marketing approach. But consumers are savvier than ever, and it's critical to carefully define each target audience, and tailor our messages and tactics in a way that our audience wants to be spoken to and engaged.

Where are they spending their time? What kind of media are they consuming? Brands must evolve from the 'spray and pray' approach toward growing leads and sales to a truly targeted strategy that speaks the language of each specific audience.



—SHAHRZAD NADIZADEH
Jaipur Rugs

Step 3: Use Targeted Content Marketing to Move Prospects Through the Sales Funnel More Rapidly



Many CMOs mentioned content marketing as one of their key areas of focus. The goal is to keep prospects moving through the process – and to shorten the sales cycle. When marketers craft messages for a specific segment, it's also important to ensure that that content is delivered to a specific prospect at a specific stage in the sales cycle.

People are sophisticated about their inboxes, and they dislike email that reveals that the sender is clueless about them. As an example, a digital communication targeting a prospect at the top of the sales funnel should have a very different message (and a different call to action) from an email delivered to somebody at the bottom of the funnel who's almost ready to talk to sales. The person at the bottom of the funnel is probably interested in a specific topic like pricing and delivery, and it might be the time to offer a demo or trial. But if a message about pricing and delivery were sent to that prospect at the top of the sales funnel, it would fall on deaf ears. Or, worse, it would feel pushy and assumptive, and be irritating enough to provoke an opt-out.

Chuck Moxley, the CMO for 4INFO, a mobile marketing platform, summed up his views on content marketing this way:



We've seen the power of quality content in driving prospects into the funnel, but the challenge lies in how to move them down the funnel with greater velocity. In our case, that means more content, a lot more content. Producing a variety of good content efficiently isn't easy. In fact, we're bringing on a full-time content wrangler to manage our content pipeline. The next step then will be to figure out how to make sure the best piece of content is served up at the right time to the right prospect based on where they are in the customer journey.



—CHUCK MOXLEY
4INFO

Step 3: Use Targeted Content Marketing to Move Prospects Through the Sales Funnel More Rapidly (continued)



For the top-of-funnel prospect, a more generalized piece of content that helps the prospect understand the problem and its context (and does not overtly sell) would be better.

Relevancy is dependent on both messaging and timing. You need to target people at various stages of the sales cycle through segmentation, but you also need to deliver the right message – the one that resonates with that prospect and is relevant to their particular needs – at a particular time. This is tedious to do manually, but new marketing technologies can automate much of the process, making it both easier and more consistent.

Jeanne Hopkins, the CMO for Continuum, an IT management platform based in Boston, added to Chuck's comments by saying:



We're focusing on high-velocity lead generation activities. Our training, leadership and excellence programs are designed to leverage the use of content in the acquisition of new customers. Our ultimate goal is to onboard new clients as efficiently as possible for long-term mutual success.



—JEANNE HOPKINS,
Continuum



Step 4: Use Tracking and Analytics to Measure the Effectiveness of Your Campaign

There's no point in running a campaign if you're not going to measure the results. After all, if you spend a dollar in marketing but don't track what happens, you have no way of telling whether that dollar contributed to your bottom line. And one of the biggest changes in marketing has been the move to accountability for both budget and revenue, made possible by new technologies.

Sophisticated marketers spend a great deal of time calculating whether or not their campaigns generated a positive return on investment. A simple way to make that calculation is to track your spending on a particular campaign, and then track the revenue generated from that campaign. If the revenue generated exceeds the expense, you have a positive ROI. The best campaigns generate a one-to-five (or better) ratio of investment to revenue. In other words, one dollar spent in marketing generates five dollars in revenue.

All that said, keep in mind that some campaigns require investment spending. As an example, if you have a product or service that generates \$80 per month in revenue for your company per customer, spending \$800 to acquire that customer may seem like a bad policy. However, if that customer is going to stay with your brand for say, five years, then the \$4800 you generate over the lifetime of that customer being with your business far exceeds the \$800 you spend to acquire that customer.

Lisa Cramer, Vice President of Sales and Marketing for Inreality, an instore marketing and analytics company, shares her thoughts on how to use data to ensure a positive ROI. You'll notice that Lisa is all about metrics and measurement, but she's not focused on just the data itself. Instead, she's focused on gathering the insights behind the metrics.



For us, this year it's all about not just gathering more data but finding those actionable insights that help us understand how to turn marketing spend into revenue. There's a ton of data that we are accumulating, which is great. However, it's focusing on those key insights that will help us learn where we are getting the most bang for our buck. Understanding what campaigns are generating MQLs (marketing qualified leads), not just activity, and how each MQL flows through the funnel to revenue, is our main focus.



—LISA CRAMER
InReality

Step 5: Understand that It's About a Holistic Approach to Marketing



Marketing is not about finding a single silver bullet that will solve all your problems. Instead, **it's about doing everything you can (within reason) to communicate your relevant and timely message.** It doesn't matter whether you're targeting Millennials, Boomers, Gen X, or Gen Y – your prospects are reading, watching, listening, and engaging in many formats in many channels. Because of that, make sure your marketing mix reflects their diverse media usage patterns.

If you think of marketing as a wheel with spokes, you understand that it's important to keep all of the spokes in good shape as you execute your plan. Businesses that cut corners by eliminating spokes are the ones whose campaigns eventually unravel.

Most companies keep email as one of their primary channels, and use it for acquisition marketing (brand), nurturing (demand), and customer marketing (expand).

Beyond that, social media is increasingly important for both marketing and sales, and events are indispensable for some companies. Others get higher return on webinars, or videos, or user-generated content, or... well, the list goes on. That's why most marketers start with a variety of cross-channel components and then test their way to success over time. The result is that they eliminate the components that don't seem to be working, and apply their budgets to the components that generate a positive ROI.

The bottom line here? Understand your buyer. Know how they like to consume media, and what formats they prefer. Don't just guess, do the research. Then meet them where they are – everywhere they are (assuming you have the bandwidth to have a credible, consistent presence in each channel).

Here's what Davis Tucker, the founder and CMO for NXNW has to say about using a holistic approach to marketing.



The mistake most people make in marketing is that they focus on the latest bright, shiny object. That's a mistake. It's better to take a holistic approach and to measure each element of the campaign. That way, you can test which components are working and gradually apply more and more budget to those channels.



—DAVIS TUCKER
NXNW

In Closing...

Think of these five tactics as a circle rather than a straight line:

- Know and align with your buyer's true reasons for buying
- Use segmentation so you can target messages
- Apply content marketing to those segments by stage
- Track and analyze results
- Build a holistic marketing plan

To build an effective holistic plan, you leverage what you learned with the first bullet – knowing your buyer, and understanding why and how they buy. Each of the five tactics builds on what has gone before.



It's interesting that these marketing executives are focused on timeless issues, not trendy ones. What's changed is how technology has evolved to make these constant concerns more addressable. With customer relationship management software and marketing automation (especially with the two used together) we have advanced ways to understand our buyers, engage with them, and measure our results, and we have the right data to revise our action plans.

This deeper understanding is the key to your more efficient, more effective campaigns and programs...
and your personal success as a marketing executive.

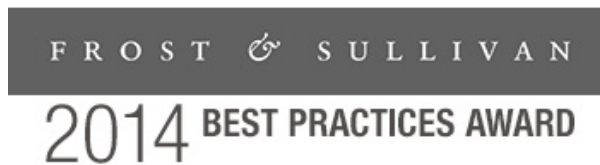


About the Author:

Jamie Turner is the co-author of *How to Make Money with Social Media and Go Mobile*. He is a regular guest on CNN on the subjects of social media, mobile marketing and branding. He also runs SIXTY, a digital and mobile marketing firm, and launched the Mobile X Festival, which is an un-conference for businesses that want to use mobile to grow their sales and revenues.



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About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

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