BRAND GROUP

“The one thing I’d like to know about marketing is...”

Hove Albion BNi were asked what the one thing about marketing was that they **really** wanted to know. 14 people asked questions, some were really interesting, some were really complex, two were really daft.

This document contains all the answers to all 14 questions. Some answers are necessarily long and detailed, but we reckon that a serious question deserves a serious reply. We hope this document is of help to all 14 questioners, and indeed anybody else who has the responsibility for marketing a small business.

Our thanks go to the following, who asked the questions: Rob Blackman, Icon Business Solutions / Jason Bradshaw, Cunningtons Solicitors / Barry Carden, Cardens Accountants / Julia Dunlop, BE Technical / Antony Eely, Cartridge World / Peter Fannon, PJ Palmers Residential / David Graham, Property North West / Mark Haverstock, Near Horizon Business Coaching / Chris Mansfield, Positive Solutions Financial Services / Rhyddian Pugh, i-Zimbra / Heidi Rush, HR Smart / Liam Russell, Liam Russell Architects / Ray Truman, Truman Associates Claims Management / Andrew Whitehouse, The Windmill Dental Practice.

Rob Blackman asked: "What are the five components of Brand Strategy?"

Ask five Brand Strategists what the five components of Brand Strategy are, and you'll get 25 components.

But don't despair, they may appear superficially different, but they're all attempting to achieve the same result. Which is: leverage. The ultimate job of any brand is to leverage its attachment with its targeted market to make as much commercial advantage from that relationship as possible.

And from that objective will fall numerous methodologies. For example: Brad Van Auken of Branding Strategy believes that the ultimate goal of what he refers to as "Brand Equity Building" is to move the consumer from brand awareness to brand insistence. He says: "Our brand insistence model incorporates five elements that drive a consumer to insist upon a particular brand to meet his or her needs:

1. brand awareness
2. accessibility
3. value
4. relevant differentiation
5. emotional connection."

Similarly, David Aaker, branding expert and author of the seminal work 'Building Strong Brands', asserts that to construct a "brand portfolio strategy that will support a company's business strategy", you will need:

1. relevance
2. differentiation
3. energy
4. leverage
5. clarity.

Ex ad man, author and branding guru, Mike Moser, draws from two decades of experience creating brand identities for companies like Dell, Cisco, and Kia Motors when he tells us that his "Brand Roadmap", is the route to implementing a successful brand strategy. And the proof that he's a guru is that he's boiled it all down to just **four** key components:

1. identifying core values
2. creating a focused brand message
3. developing a distinctive brand personality
4. choosing a consistent set of brand icons.

And then there's Icon Business Solutions, who whilst not referring to their processes directly as 'Brand Strategy', proffer a very practical "5 Ways to Growth and Profitability", describing them as: "simple yet effective techniques to help you influence the key profit drivers in your business". So if you believe brand strategy equates directly to growth and profitability, and want practical steps, then follow these:

1. generate leads
2. make sales
3. increase repeat business
4. get your clients to spend more
5. improve your margins.

So there you have it: as many answers as there are experts. But, reassuringly, all generally pointing in the same direction, and all eminently usable. And if you have to make a choice, a good rule of thumb when making that choice is: find and apply strategies that you know you can both intellectually and intuitively work with. After all, it's your business, and your brand, so it'll be your strategy. So you've got to believe in it.

Jason Bradshaw asked: "What are the 73 rules of marketing?"

Ah yeeeeees, the famous "73 Rules of Marketing" (author; I. M. A. Fibber, publisher: Dolittle, Grabbit & Runn).
Well, they're all exemplified by the first rule: "RULE ONE - in marketing, 37.5% of all statistics are made up."

Barry Carden asked: "Why is there such a variety of costs for a similar service?"

Great question – and following is the most candid answer you'll ever get.

The answer divides immediately into two parts: firstly check that the quality of the service you're about to buy is actually similar from all the potential suppliers that you're considering; and then secondly (having satisfied yourself on the answer to the first question), look at how your potential suppliers arrive at their various costs.

So **firstly**: check that the quality of the service you're about to buy is actually similar from all the potential suppliers that you're considering. And for the uninitiated, this is a nightmare. When somebody says that they are "a graphic designer", or "a copywriter", or "in PR", not even another person with the same title will really know what that means without a whole load of substantiating facts. Like: A graphic designer of what? Books, magazines, adverts, web sites, logos, packaging, typefaces, brochures, CD covers..... whole brands? And for whom? Businesses you've heard of? Or never heard of? Or wish you'd never heard of? And for how many years? And how experienced are they really? And are they actually simply a designer, or a marketing-lead designer – who really understands what business wants from graphic design?

So check them out thoroughly, look at their past work carefully, find out who their past and current clients are, discover if they have any experience in your sector, and ask them for testimonials. And, wherever possible, use your own networks to validate all this information.

That should establish whether the quality of the service you're about to buy is actually similar from all the potential suppliers that you're considering.

Then **secondly**: look at how your potential suppliers arrive at their various costs. These costs will be based on three separate factors:

1 Their overheads
2 Their skills
3 What they reckon they can get away with.

1 OVERHEADS

Marketing consultants:

a) Freelancers working from home charge between £65.00 and £150.00 an hour (this variance being very much dictated by factors 2 and 3)

b) The same level of consultancy skill supplied from a business in the middle of Brighton would add another £30.00 to £50.00 per hour to the charges at a).

c) The same level of consultancy skill supplied from a business in the middle of London would add another £60.00 to 'think-of-a-number' per hour to the charges at a).

Graphic designers:

a) Freelancers working from home charge between £25.00 and £65.00 an hour (in the main they are low to middle-weight in terms of skill, many are jacks-of-all-trades, but there is the occasional genius of guru status who simply likes working from his/her house).

b) The same level of design skill supplied from a studio in the middle of Brighton would add another £20.00 to £40.00 per hour to the charges at a).

c) The same level of design skill supplied from a studio in the middle of London would add another £40.00 to £80.00 per hour to the charges at a).

Copywriters: pretty much in line with the charges for graphic designers.

PR people: again - much in line with the charges for graphic designers.

2 SKILLS

Marketing consultants, graphic designers, copywriters, PR people, creative directors, and the rest: each will attempt to charge the maximum that their skill level will allow. So whilst logic would suggest that the more the charge, the more the skill, factor 3 can come into play, so the price quoted may in fact be no real indicator of skill at all. Use all the precautions already referenced, to create as accurate an analysis as possible when assessing skills.

And again, wherever possible, use your own networks to validate everything.

3 WHAT THEY RECKON THEY CAN GET AWAY WITH

Every marketer I know (including me) has a sliding fee scale. We all charge our corporate clients more than we charge our small, or sole trader, clients. But most marketers (including me) are an honest bunch, so we tell our clients exactly what the fee structure is before we agree to start the work, so everything is transparent, everything is mutually agreed.

Plus – there's a massive safeguard when it comes to parting with your cash. You. You've been running a business for a few years, so you've developed instincts based on experience. If you trust your potential supplier, and reckon that they genuinely can add value to your business, and also reckon that you can work with them – negotiate. If they want your business, and you're both reasonable, you'll come to agreeable terms.

Here's some great ways to push the price down:
If your potential supplier wants your business, you can always try to negotiate costs down by:

1. agreeing to pay a proportion of the cost on award of contract
2. offering stage payments for longer projects such as web sites
3. negotiating a discount for COD
4. commissioning a number of projects together and discounting the total amount

I very much hope that this helps you to both understand and overcome the issue of cost variation, and if you want more help in the buying of marketing services, we've produced a PDF guide in conjunction with Sussex Enterprise called 'Choosing, using and losing marketing skills'. It's on our web site with a stack of other sound hints and tips – do check it for more information. You can link to it now:

http://www.brand-group.co.uk

Julia Dunlop asked: "Where do you start when working on a logo?"

As is the case with so much in marketing – you start at the end.

For a designer to create a logo that really establishes an emotional bond between the consumer and the brand (refer to the first 'Brand Strategy' answer for more on this), that designer must make as good an attempt as the budget will allow to understand the potential consumer of that brand. So you always start at the end – with the person who's going to be the purchaser.

You really do need to find out as much as you reasonably can about them. So that you can better understand their drivers. So that you can design a logo (for which really read 'brand') that can really relate to them. So that your client can use that relationship to commercial advantage.

Some designers demand detailed demographic information about the target consumer: social class; were they live; their age; how affluent they are; what they read; what TV they watch; what media they engage in; what they eat; were they shop; their gender; their politics; their belief systems; their ethnicity; were they holiday; their postcode; what they wear; the type of house they live in; the sort of car they drive; what's their ABC rating – A, B, C, D1, D2, and on, and...

Having assimilated that information, some designers actually design for a 'person' that they have 'constructed' and who almost exists in the studio with them as they work. And when the design work is right for that person, the designer knows the job's done. How's that for empathy?

Me? I'm a social chameleon, so I use mirroring to get my design work right. Having had what could be referred to as a 'socially broad' upbringing, my understanding of social and cultural signifiers is, if not perfect, certainly extensive, so I believe I can bring all that background and experience to bear when I 'construct' my target consumer in the studio. And I hope the range and success of brands that I've created or assisted is testimony to that belief.

Anthony Eely asked: "How do you evaluate different marketing strategies?"

Through two methods: audit and analysis.

This question assumes that you already have an agreed strategy. If you haven't, please refer to the answer at question 1 regarding the five components of Brand Strategy. Then consult the internet (were you'll be completely spoilt for choice), plus any business or marketing advisers that you know and trust, and then agree, record and implement your own strategy.

So, back to evaluation. And, reassuringly, your marketing can be audited in the same way as your finance. Which is just as well, because the increasing speed and turbulence of the business environment, plus a shorter product life cycle, means there is a growing necessity for every business to develop a critical review of its overall marketing goals and effectiveness. Being unprepared for problems when they occur is a sure-fire way to damage your business. Firms should implement a regular (we advise quarterly) marketing audit that is a strategic control instrument that defines problems and offers possibilities and positive outcomes.

Your marketing audit should be a comprehensive, systematic, independent, and periodic examination of:

1. your business
2. your marketing environment
3. your objectives
4. your strategies
5. your marketing activities

This scope is not only required to bring to managers a clearer view of the whole business, it's also needed to bring a continuous process of developing reformulation and recovery strategies.

You might find the following 10 tips help you to set up, and evaluate, a successful marketing strategy:

1 Prepare a formal marketing plan.
Regardless of the size of your venture, having a thorough marketing plan is a no-brainer. Not least because, in many small firms, entrepreneurs wear more than one hat. A well formulated marketing plan is your practical reference tool, designed specifically for evaluation.

2 Constantly update your marketing plan.
Frequently, entrepreneurs and start-ups have a plan that they wrote in order to get a loan, or to present to a venture capitalist, or to just create the illusion of direction. It's critical to your business's long-term success that you assess your marketing plan and make appropriate changes to it. This is that marketing audit, and remember it should be that comprehensive, systematic, independent, and periodic examination of: your business; your marketing environment; your objectives; your strategies and your marketing activities.

3 Keep your marketing strategy aligned with your core business goals.
Business goals can change over a period of time. For instance, if your customer demographic is changing, or your sector is being impacted by economic or structural changes, or you're preparing your business for sale or acquisition, your marketing strategy needs to address that issue.

4 Measure your spending.
From the strategic point of view, conduct a detail analysis of your previous year's spending. Create a matrix of each and every marketing campaign conducted and find out with as much certainty as possible your return on the investment made. Then based on those hard facts, re-assess the money you spent and scrap the marketing initiatives that didn't yield results. Re-allocate that saved budget to either the ones that worked, or try new ones.

5 Forecast expected return.
Forecast expected return for the upcoming quarter. Base your forecast on substantiated research and try to be as thorough as you can. All large corporations have strong forecasting methodologies in place. Right forecasting is the key to scaling your operation. If your business has a dedicated marketing team, forecasting ties in to the accountability of the team. And if the team is you – the same applies.

6 Re-align your marketing collaterals.
All your marketing materials must be current, cohesive and relevant. Basically, everything you present needs to align with your current business plan and marketing plan. So the company web site, and all your other ads, brochures, emails, and marketing collaterals must all be on the message.

7 Make sure that you're doing at least three things at once.
This will reduce the potential for your marketing to atrophy. Keeping your marketing effective with all the other competing demands on your time is constantly challenging, so if doing at least three of the activities that you deem the most successful is one way to prevent your marketing losing initiative and effect. And with the technologies now easily at our disposal, this has never been easier. For example: you can run PR campaigns over the web. Just do an electronic Press Kit for your business and send it out as an email.

9 Collaborate with products, clients and strategic partners that strengthen your brand.
All of these activities will have a 'magnifying' effect on your business. With the aggregated strength of well chosen partners, your brand benefits by association.

10 Leverage satisfied clients to reach other, similar, clients.
Get testimonials from satisfied clients. The total number of clients that you currently do business with is unlikely to be the total number of clients that you could ever do business with, so use the testimonials of your current clients to get more clients just like them.

Of course, all the above is a substantial workload if undertaken in its entirety. But the good thing about it is that you could start the process today - in the next five minutes.

Just identify were you are in the above sequence, list those areas that you need to work on, identify the first three that you need to give immediate attention to, prioritise those, and then start on the first one. Hand write it now on an A4 sheet of paper. Hey - you've just started to evaluate your marketing strategies – now you'll never look back.

Peter Fannon asked: "How can I measure the success of my current and future marketing?"

The complete answer to this question (and it really is **very** complete) is given in the reply to the previous question. Please read, digest, implement, profit and enjoy...."

David Graham asked: "How do you reach your client's target audience?"

In a similar response to the question "were do you start when working on a logo?" the answer to this question is – you start at the end.

So in this case, the trick is to actually start with the identified target market, and with that knowledge, work backwards through the marketing channels that they receive (that's the magazines they read, the TV they watch...) to find the most effective ways of reaching them.

And it's very simple, once you know who they are, to ascertain almost precisely what they read, what they watch on television, what web sites they're likely to visit, even were they go shopping. More than likely you'll even get to know were they live, and possibly even their postcode and their email address. All this information is readily available through market research and database and consumer listing agencies. The cost of such databases is usually dependant on their accuracy, their total number of entries, and their value to you.

Now that all the mystery is gone, reaching a target audience is very easy. After you've completed your research, you'll know specifically that your client's target audience read the Mail on Sunday, watch ITV 1 and Sky, live in the suburbs of the UK's major conurbations, and invariably shops in Tescos. Plus, if you can get their name and address from a database agency, and you can reach them with a decent direct mail campaign, you can more than likely get some of their money.

If you'd like further information about how to effectively identify and communicate with your target consumers, you could start the process with our "Four steps to better marketing" which is an easy to use guide for businesses seeking fast ways to solve complex issues. It's on our web site with a stack of other sound hints and tips – do check it for more information. You can link to it now:

http://www.brand-group.co.uk/

Mark Haverstock asked: " How many marketers does it take to screw in a light bulb?"

The standard number that it takes to screw anywhere - two.
(Although some people believe most marketers are too busy screwing their clients.)

Chris Mansfield asked: "When creating advertising, what aspects stand out most to attract the attention of a buyer? For example, is it size, position, colours, etc..."

A buyer is only looking for one thing as they scan an ad – a direct benefit to them.

So whether that buyer is making a distress purchase like a replacement car tyre, or a discretionary purchase like a luxury watch, they're still only looking for the relevance to them of that ad - and that means attracting their attention with a big, fat, socking **BENEFIT**.

The 21st Century consumer is the most savvy the planet has ever known. They are well informed and cynical, plus they actually understand many of the techniques that used to be the exclusive knowledge of advertising agencies.

Yet they still consume. Voraciously. And this is how advertisers get them to do it: most ads are constructed to a formula - '**AIDA**' - **Attention, Interest, Desire, Action.**

Attention is the headline - designed to be the first copy that's read, it's the impressive benefit or promise.

Interest builds information in an engaging way, usually by relating it closely to the way that the reader thinks about the product or brand.

Desire directly relates the key benefits to the reader so that they increasingly want them.

Action is the motivational final text that activates the next step in the purchase, like a telephone call, or web site visit, or the completion and sending of a reply coupon.

See if you recognise any of these techniques:
Research proves that where immediate sales responses are required (as opposed to more strategic, brand building, ads), the best ads are those which offer an impressive, relevant, benefit to the reader. So this 'promise' usually contains the business brand name, takes no longer to read than is normal

for the media (direct mail is about 4 - 8 seconds, or about fifteen words, the web about 6 seconds) and is clearly the most striking part of the ad.

And copy is getting shorter as our lives get busier. David Lewis, an eminent consumer psychologist, says, "A major factor behind this is that people these days suffer from acute shortages of both time and attention. Younger generations are extremely visually literate. They have been brought up on computer games, so they couldn't deal with a lot of polished copy, even if they wanted to."

People read by recognising word-shapes not individual letters, so designers usually don't use upper case (capital letters) for text, and ideally not for headlines either, as it takes longer to read and reduces impact.

Headlines are almost always positioned where they can be seen quickest. Our eyes are naturally drawn to between two-thirds and three-quarters up the page or space, so designers don't put headlines at the very top of the space.

Colour increases credibility and enhances communication, so it is now used wherever possible. In a two colour ad, the most powerful attention grabbing colour combinations are red copy on a solid yellow background (Kodak logo), yellow copy on a red background (McDonald's logo), or black copy on a yellow background.

We've designed ads that have the key benefit positioned in open space, not necessarily huge, but proportioned on the page in such a way that they **are** the the first thing that gets read.

We've put the offer or incentive in Yellow Pages ads at an angle so that they attract the eye on pages that are largely a series of boxes with well described horizontal and vertical. We've taken all the extraneous colours out of ads, and used only the key brand colours, when we know that the ads are going to fight for recognition in half or quarter page positions.

Ultimately, the answer to the question of what stands out most to attract attention is therefore the benefit. But the question as to whether size, position, colour or any other element is the most important would have to be answered honestly by saying that they all are. It's their cunning use in harmony that creates effective ads that work.

Rhyddian Pugh asked: "Can you provide a rough guide on what marketing spend should be against turnover, and how that budget is typically split by activity, and how this varies by different industry?"

Gulp.

OK – these are three very big questions, each of which, if answered in detail, could potentially take forever. Or maybe longer. But they're great questions, and deserve a considered answer, so I'm going to try and give you some valuable starting points and some general insights.

The good news is: there's plenty of status. The bad news is: they're not much use to you and me.

So first the 'good' news: according to Geoff Hurst, marketing director of the Chartered Institute of Marketing, UK B2B and B2C companies are spending around 7.6% of their turnover on marketing and, once again, small companies are spending the most (8.6%). Consequently, marketers in larger organisations have the most difficulty over budget negotiations and 61% of those in companies turning over £100m or more say securing marketing budget is "difficult".

The lion's share of marketing money is still spent on advertising, which takes over 15% of the budget. Other activities in which marketers are investing heavily are field marketing (13%), sales promotion (12.4%) and customer relationship management (12.2%).

Looking to the future, online and digital marketing is the area in which marketing spend is increasing the fastest and marketers are preparing to raise budgets in this area by 2.7%. The smaller companies are embracing this activity most readily, with an expected increase of 3.2%.

Despite all the excitement over developments in digital communications, most marketers are still only talking the talk when it comes to entering this brave new world. While just under three-quarters (73%) say "not at all" when asked how often they use podcasts, 70% say the same when asked about corporate blogs, 68% never use mobile marketing and 61% never use viral marketing.

Yet again, smaller organisations are the most likely to value the contribution of marketing and it is seen as a key factor in a significant 72%, compared with just 49% of the largest organisations.

But now the bad news: all that lot doesn't actually mean much to you and me.

Because, in terms of industry averages for marketing spend as a percentage of revenue for B2B and B2C companies, the received wisdom is that there is no genuinely useful, practical or meaningful guide at all. There's not even a very rough guide.

The fact is that you'll find enormous differences for each industry and for each company in that industry. So if you could compute an average, the resulting figure would be of no great use. The pedant would pronounce that the infinite number of variables prohibits accuracy, the cynic would assert that any figure used is just a ruse by ad agencies to pump up their clients' budgets.

The difficulties in creating an average for any industry get even more complex as you consider that status available for B2B and B2C markets quickly become invalid as neither are in fact industries, they're a generic description of the broadest of markets. Hotels and laundry detergent are both B2C, but they clearly have different markets and different ad budgets.

Then consider that such averages are usually compiled by talking to the biggest of companies - the Microsoft's, BTs and Virgin's, whose marketing as a percentage of revenue bears little relationship to SMEs and small businesses.

Then, what is actually meant by "marketing spend"? Ad spend is what people usually interpret this as meaning, and although ad spend is easier to establish, it is not the totality of a marketing spend.

And just to nail the last hammer in the coffin, spend is going to differ within a company from product to product. For instance, Bose spends something like 20% of revenue for advertising on product A, and 50% of revenue on product B. It is just bad statistics to then presume that their average spend is 35%.

So, when SMEs consider this question, it might be more practical to do this instead:

1. Figure out who you want to reach with whatever it is you sell.
2. Determine what it will cost to reach that marketplace with any given marketing activity – factor in the strategic and tactical elements like consultancy costs, creative costs, design costs, print costs, trade show costs, print advertising, email campaigns, and so on…
3. Ask yourself if you can afford that cost.
4. If yes, spend the money. If no, go on to step 5.
5. Eliminate items from the list of marketing elements you want to use - until you hit a budget figure you can afford.

That's your marketing budget. (You could then, if you wanted the comfort of a benchmark, compute your own marketing spend against turnover as a very accurate figure).

But if you should persist in attempting to establish an accurate average marketing spend for any industry, it's worth remembering this about status: it has been accurately computed that the average Australian has one testicle. This is because nearly half of all Australians have none, whilst the other half have two.

Heidi Rush asked: "Identify what marketing activities will work on a limited budget."

In a nutshell (this is the generic bit, the specific bit follows later), the best way to identify those activities that will be successful on a limited budget is to:

1. research
2. analyse
3. implement
4. then keep repeating that process.

Ultimately, every business arrives at its own individual, tailored, answer to this question through that repeated and ongoing cycle of research, analysis and implementation.

However, before you read the specific answer, I'd refer you to the following questions and answers in this document:

1. "How do you evaluate different marketing strategies?"
2. "How can I measure the success of my current and future marketing?"
3. "How do you reach your client's target audience?"
4. "Can you provide a rough guide on what marketing spend should be against turnover, and how that budget is typically split by activity, and how this varies by different industry?"
5. "How can I find out up front which aspect of marketing may be the most effective for my particular business?"

Then I would recommend that you:

1. Download "Four steps to better marketing" from Brand Group's web site: www.brand-group.co.uk
2. Use the simple structure in step four to identify every reasonable marketing channel that you believe could work for your business (everything from telesales to email campaigns).
3. Re-order that list in terms of their anticipated cost (from the least expensive, like networking, to the most expensive, like buying advertising).
4. Starting with the least expensive, check whether it's viable by using the following criteria:
   - **a)** decide how many of your target market will be reached by that activity
   - **b)** make sure that for this activity you factor in **all** the attendant costs, like consultancy costs, creative costs, design costs, print costs, etc...
   - **c)** reassure yourself that you can afford it
   - **d)** if you can afford it, leave it on your list. If you can't, take it off.
   - **e)** continue to do this, until you've done it for every item (or at least every item up to the point were it's obviously too costly).
5. You've now created a thoroughly qualified list of marketing activities that you believe will work on a limited budget.

Some of those activities might be: networking; asking existing clients for testimonials (that you then use in your marketing collaterals); asking existing clients for referrals to other businesses; accumulating a database of existing clients and prospects; doing an email campaign to that database; creating case studies that you put in your web site (also helps with your SEO) and which you also PDF for attachment to your email campaign; or starting a blog. Total budget for all that: predominantly your own time.

Liam Russell asked: "Do 'gift based' incentives work? If not, what the **** does?"

In short: yes, gift based incentives **do** work.

Perhaps surprisingly, they are also viewed in many cases, in particular amongst premium and high net worth services or products, as being more effective than cash alternatives. Cash is considered too tactical, with little lasting effect in many consumer's minds (that's for both B2B and B2C).

The evidence for the efficacy of incentives starts with the status: corporate America spends nearly $46 billion each year on incentives.

If you want to learn more about how the States uses incentives, check out their Incentive Marketing Association, it's a key source for all the latest information, research, and education on using incentive programmes to motivate both employees and customers. The IMA provides education and information services, publications, conferences and seminars, so take a look if you want to see how they do it - but do add a liberal dollop of British reserve for UK .

The issues to consider if you're thinking about incentives of any kind for your business are:

1 Is the objective to achieve short term, tactical, gain of revenue from customers who may not necessarily remain loyal in a promiscuous market?

2 Is an incentive of any kind appropriate to the profile and brand of **your** business, product or service?

3 If you believe it might be - there's a stack of choice, from tickets at Wimbledon Centre Court, through special travel offers, to give-aways of every size, sort and value.

4 What's the long term, strategic, value of any incentive for your business?

5 If you start to offer incentives, are you initiating a programme, that will demand that you offer incentives on a regular basis (however intermittent), if yes, the cost of this will need to be factored in to all your other marketing costs.

6 If your business is a high added value proposition, then you might consider an 'incentive' that is more appropriate to the brand values of your business - like value added information, or exclusive access to particular kinds of information, either on-line, or at invitation only events.

7 In a business were the key driver to growth is the personal relationship between client and supplier, incentives can of course be customised to match particular customer's (or groups of customers) perceived needs.

8 Be careful - particularly as we enter a slow-down. If your brand, product or service is going to become price sensitive (as could be the perception with some incentives), you could find your margins are under pressure from competitors as your sector chases sales in a shrinking market.

Having said all that - the best incentive to encourage client acquisition and retention can sometimes be to just be outstanding at what you do...

Ray Truman asked: "Please convince me that any money (large or small) spent on marketing will result in more profit."

I love this question. It's the question that every client wants to ask and every FD longs to have a substantiated answer to.

There are two answers, they are:

1 **The snide answer:** whilst there is absolutely no guarantee that any money of any kind spent on any marketing, will actually result in any profit, what **is** guaranteed is that if you spend nothing on marketing, that's precisely what you'll get back. Nothing.

2 **The accurate answer:** whilst it's not my job to try and *convince* anybody that *any* money spent on marketing results in profit, it is my *experience* that if controlled money is spent on the right sorts of marketing, to the right potential targets, with the right messages, at the right time, from a carefully planned budget, from a business that can resource the extra work, then that marketing will, without exception, result in more profit.

And there are illustrations to follow that will prove it.

But firstly, here's what some marketing gurus think you ought to know:

The self-styled "Marketing Genius"' says: "Marketing is the machine that drives your business. As a matter of fact, it is the backbone of any business. When used correctly, marketing can be the biggest profit-making tool you will find in business. What does marketing truly mean when it comes to business? Marketing is focusing on your customer's needs rather than on your product or service and profit is the by-product. Successful, skilled marketing is the key that builds a business into the success you want it to be.
Can you succeed in business by simply having the best product of service? The answer is both yes and no. Not every business can have the best product or service. What you must realise is that you need the best product or service suited for your market. Also, in order to make a major return on investment, make sure that there is a big enough market for it. In order to be successful in your marketing, you have to constantly educate your market."

Peter DeLegge, an experienced Fortune 500 marketer, says: "Marketing accountability continues to be a hot topic. The reality is that there is a lot of talk, but not an equivalent degree of action.

Consider a recent study by the CMO Council that found less than 20% of top technology marketers surveyed had developed "meaningful, comprehensive measures and metrics for their marketing organizations." The last major study on marketing ROI found that 68% of marketers were unable to determine the ROI of their initiatives.

While marketing accountability is a priority, these studies send a clear message: We're not there yet.

With all of the recent buzz over marketing ROI, the truth is, it is not necessarily the most appropriate metric for every marketing initiative. While determining marketing ROI is ideal for large initiatives and initiatives where it can be easily determined, such as direct mail or online marketing, it can be complex and cost prohibitive process to accurately determine marketing ROI on small off-line branding campaigns. Don't get me wrong, marketing ROI is the ideal measure, but it can be costly to properly implement. The majority of CFOs will agree and want to set thresholds for when marketing ROI is used as a measure of effectiveness.

The real bottom line is that CMOs need to sit down with CFOs to determine the appropriate marketing measures and who is best suited to monitor these measures.

In 2002, I provided the keynote presentation for IQPC's "Measuring and Ensuring Return on Your Marketing Investment" and recommended that CMOs work in cooperation with CFOs to determine the appropriate marketing measures. Further, I suggested exploring whether it may be most effective to have a member of the Finance department take responsibility for managing and monitoring these metrics. A number of consumer goods companies have successfully implemented such an approach. At minimum, CMOs should explore this option.

A Marketing - Finance partnership is beneficial on two levels. First, it helps create important CFO buy-in of marketing measurements. Second, it can put responsibility for metrics in the hands of the most qualified staff to handle metrics. Additionally, having these measures monitored by a member of the Finance department can eliminate the need to promote marketing successes to the finance department. It also means an immediate awareness of failures, which is probably the part that scares most marketers.

There is another reason. The divide between Marketing and Finance is often the greatest between any two business departments. I believe that the CMO must make forging a strong relationship with the CFO a priority. Finance must be a partner in determining marketing metrics. This buy-in is essential to marketing gaining the organisational credibility it needs to reach its potential."

Peter DeLegge is the publisher of Marketing Today. He has nearly twenty years experience in marketing and advertising and has held marketing management positions at Fortune 200 and medium size firms, so he should know what he's talking about. His thesis is that it the money guys should work with the marketing guys - to make more money.

And now for those illustrations. These things actually happened:

We marketed an Estate Agency in London with a new brand, web site and ad campaign. Their enquiry rate rose by 800%.

We produced ads for a B2B high-end kitchen business. The ads now account for 40% of their £3m business.

We produced branding and marketing for an environmentally based organisation in Crawley. They hit their third year targets in year one.

We changed the branding, messages and design work for a company specialising in back pain. Within weeks they were getting new business.

We produced a new brand and marketing for a business wanting to break a new product in the UK gifting market. That product became the dominant product in its sector.

We re-branded and produced new messages and an ad campaign for a Brighton based media provider that had been losing market share. Within six months they had secured their entire next year's turnover.

Hmmmm - not sure how convincing any of that is though. Hey, maybe we just got lucky. What do **you** think?

Andrew Whitehouse asked: "How can I find out up front which aspect of marketing may be the most effective for my particular business?"

You can do one, or both, of two things:

1. undertake research and analysis yourself
2. use qualified and experienced sources and experts.

If you choose to adopt the first approach, then please read the following questions and their accompanying answers in this document:

1. "How do you evaluate different marketing strategies?"
2. "How can I measure the success of my current and future marketing?"
3. "How do you reach your client's target audience?"
4. "Can you provide a rough guide on what marketing spend should be against turnover, and how that budget is typically split by activity, and how this varies by different industry?"
5. "Identify what marketing activities will work on a limited budget"

Whenever a business tells us that it's about to conduct its own research, we always suggest that it starts with the internet, and refer there to any relevant lead body, membership organisation or authority sites. The web is increasingly a resource for rich content, and with its speed of access, it's a great way to 'crash course' yourself with information that you can get whenever your business, family and leisure schedules permit.

So if your business was, say, Dentistry (just guessing) you could check the following web sites:

http://dentalmanagementsecrets.com/dream_practice

http://www.blue-horizons.tv/

http://www.dentalmarketingcenter.com/

http://www.dentalmarketing.com/

http://www.design4dentists.com/

http://www.dental-focus.com/

http://www.avandant.com/

http://www.gdc-uk.org/

http://www.designerdental.co.uk/

http://dentalmanagementsecrets.com/dental_marketing?gclid=CNeln9flv5ICFQxZHgod6RAuZA

If you choose to adopt the second approach, then:

1. find a reliable and experienced individual or business that has a proven track record of successful, results driven, marketing
2. if that doesn't work - you could always try calling Brand Group...