



Right & Wrong Marketing Methods



An Australian Government Initiative

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Small Business Field Officers



Right & Wrong Marketing Methods & Little Pointers that will Increase Your Profits

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Introduction

- Interactive seminar & participation
 - Agenda
 - Switch off or Silent Mobiles
- Worksheet/Diagnostic Tool
- Business cards for presentation copy
- Value takeaways





Value Takeaways

- Make Marketing Work Hard for You
- Track & Measure Results – Refine or Drop
- Test, Test & Test & Test Again
- Use Direct Response Marketing
- Maintain Two-Way Communications
- Use customer engagement to build your most valuable customers





The Ten Most Common Marketing Mistakes

1. Improper Targeting
2. Missing Motivation in the Message
3. Focusing on Your Products/Services
4. Relying on a Single Communication
5. Failure to Test
6. Not Tracking & Measuring Effectiveness
7. No Specific Marketing Goals
8. Websites without Call to Actions
9. Failure to Continue Customer Dialogue
10. Assuming You Do Not have to Market





Market Segmentation and Targeting

■ Marketing Segmentation

- Identify the portions of the market that are different from one another and that behave in the same way or have similar needs
- Allows you to better satisfy the needs of your potential customers

■ Target Marketing

- Recognizes diversity of customers with a different offering for a different segment





Requirements of Market Segments

- **Identifiable**
 - differentiating attributes must be measurable so that they can be identified
- **Accessible**
 - Segments must be possible to reach efficiently through communications and distribution channels
- **Substantial**
 - Segments should be sufficiently large and profitable enough to justify resources required to target
- **Unique Needs**
 - Segments must respond differently to different offerings and marketing mixes
- **Durable**
 - Segments must be relatively stable to minimize cost of frequent changes





Basis of Segmentation in Consumer Markets

- **Geographic** – region, size of population, community density/distribution, climate
- **Demographic** – age, gender, family, generation, income, occupation, education
- **Psychographic** – lifestyle, activities, interests, opinions, attitudes, values
- **Behavior** – usage rate, brand loyalty, benefits sought, user status, readiness to buy, occasions/events





Basis of Segmentation in Business Markets

■ Location

- distance, shipping, clusters

■ Company Type

- company size, industry, purchase criteria, decision making unit

■ Behavioral

- Usage rate, buying status, purchase procedure





Rules to Market Segmentation

- Be clear and specific in the identified segment
- It must be as a result of hard facts
- Segment on factors that are relevant
- Aim for the largest most relevant segment
- Realistically be able to reach your segment
- Ensure that you will make a profit the segment





Sourcing Your Mailing List

- Build your own house list
 - Permission based email campaigns
 - Subscriptions to newsletters & product info
 - Customer orders and support arrangements
- Purchase or rent from reputable mailing list providers
- Host-beneficiary partnerships
- Affiliate marketing relationships





Targeting Your Mailing List

- Area of coverage
 - post codes
- Buyer Roles
 - decision maker, recommender, influencer (i.e. position titles)
- Buying Cycle
 - prospect, customer (i.e. recent, VIP, repeat)
- CRM Specific Variables





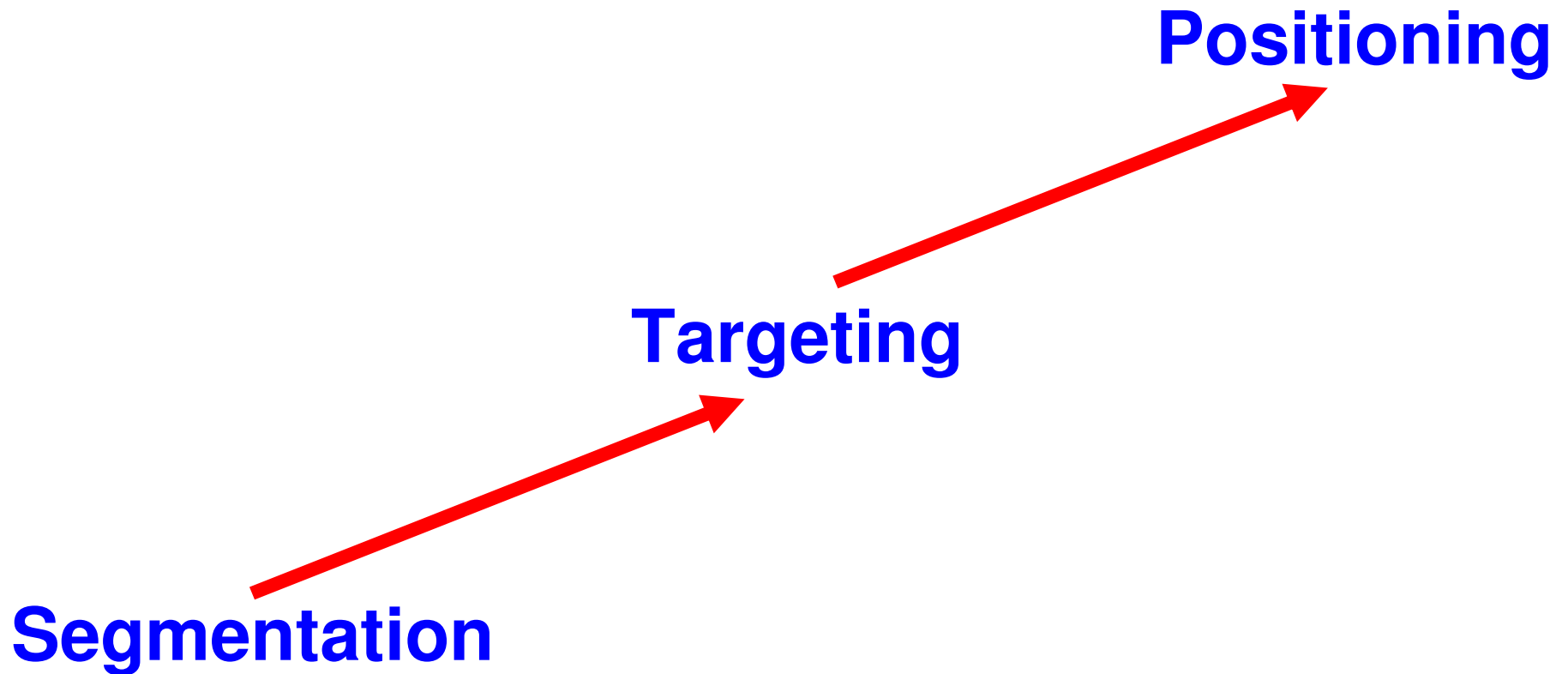
Positioning

- Simply, positioning is how your target market defines you in relation to your competitors.
- A good position is:
 - What makes you unique (Why should I buy from you rather than the competition?)
 - Unique Selling Proposition (USP)
 - Considered a benefit by your target market





Market Segmentation, Targeting & Positioning





Your Marketing Message

- Build your image and identity using direct marketing techniques
- Focus on the customer not your products or services
- ‘Speak’ to the individual/person
- Provide an offer with a call to action and incentive for a limited time period
- Remember A-I-D-A for your content
 - Attract **A**ttention
 - Generate **I**nterest
 - Create **D**esire
 - Provide a Call to **A**ction





20 Rules for Customer Engagement

1. Tell me up front what you want from me
2. Give me a reason to listen to you
3. Give me a reason to continue listening to you
4. Be transparent
5. Be authentic
6. Don't waste my time with fluff
7. No need to be so pushy
8. Tell me again why I should care
9. Solve a problem for me
10. Keep it simple and intuitive





20 Rules for Customer Engagement (Con't)

11. Don't bore me
12. Make it easy for me to interact with you
13. Respond when I send a note or leave a message
14. Don't ask for more info than you should need
15. Don't make me work to get to know you
16. The product better live up to the hype
17. Speak to me personally
18. Don't abuse my trust
19. Speak to me in my language, not yours
20. Provide me with relevant information that I can use to my advantage





Customer Engagement - RFM Value Model

RFM: Recency, Frequency, Monetary is a marketing technique used to determine quantitatively which customers are the best ones by examining how recently a customer has purchased (recency), how often they purchase (frequency), and how much the customer spends (monetary).





Why use RFM in Customer Engagement?

"80% of your business comes from 20% of your customers"

1. Customers who purchased **recently** are more likely to buy again versus customers who had not purchased in a while
2. Customers who purchase **frequently** are more likely to buy again versus customers who had made just one or two purchases
3. Customers who have **spent the most money** in total are more likely to buy again - your most valuable customers tend to continue to become even more valuable





Customer Engagement

- Keep your dialogue open and two way
- Build loyalty programs & “stickiness”
- Provide offers with "action-oriented" behaviour to get a customer to repeat, whether it's purchases, visits, sign-ups, surveys, games or anything else
- High RFM customers represent future business potential, because the customers are willing and interested in doing business with you, and will have high **LTV** (Life Time Value)





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Presentation Copy Request

- Request a copy of the presentation slides
 - *Provide your business card or contact details (include your email address)*





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