

THE **SEVEN KEYS** TO
RESPONSIBLE MARKETING



outsource marketing
responsible results

Why is marketing so often your least cost-effective line item? The experts offer as many reasons as there are ads in the Sunday paper, but the fact is, marketing ROI is an oxymoron for most companies. "Spend more, get less" just doesn't pencil. But there is a pathway to marketing that delivers results, though it might not be the path you'd expect. Interested? Read on.

By Patrick M. Byers

Ask an audience of a couple hundred marketers or business owners if they're happy with their marketing results and see how many people respond favorably. When I've done that during presentations, usually nary a hand goes up. That speaks volumes about marketing effectiveness these days.

In the face of so much failure, marketing starts to seem like a hopeless endeavor. For far too many companies, marketing has taken a back seat to just about every other department—operations, accounting, R&D and certainly sales. Their mantra is, do the minimum—do it on the cheap—and then quit if it isn't working.

It's no secret marketing personnel are among the most poorly trained, compensated and supported in business today. In-house staff—and their subcontracted freelance and marketing firm cohorts—are often miscast. Some companies have even resorted to what would be unimaginable for nearly any other skilled position in their company: They've gone auction-style in search of the lowest-cost provider.

Business desperately needs to find a way to align marketing investment with returns. Indiscriminate cost-cutting won't solve marketing problems; it will compound them. Especially when you consider the obstacles marketers face today.

A LETHAL MIX: THREE REASONS MARKETING DOESN'T WORK

1. We're overwhelmed with information. The average consumer is bombarded with more than 3,000 commercial messages a day. Knowledge workers are interrupted an average of 168 times per day. That's more than 20 times an hour, or once every three minutes, all day long.

A recent study has shown that the effects of information overload reduces the average white-collar worker's IQ by 10 percent by the end of the day. By comparison, smoking pot reduces your IQ only four percent. No, that doesn't mean staying at home and rolling a fat one will make you smarter than going to the office—the effects don't appear to be permanent.

The point is, the human brain simply can't process all those inputs. It has transformed itself into a TiVo, only smarter—it skips the ads automatically.

2. We're cynical about everything. And for good reason. Just about every formerly trusted institution has let us down. Watergate. Monicagate. Enron. Worldcom. Haliburton. Broken pension promises. WMDs. Steroids in sports. The list goes on and on.

What's more, infoglut fuels problem No. 2—hundreds of cable channels and thousands of Web sites and blogs that package and pitch vast amounts of content 24/7. Content quality is irrelevant—both Jack McCafferty on CNN and Jackass on MTV contribute to information overload equally.

3. Marketing is broken. On so many levels, marketing is fatally flawed. Lack of appropriate planning, miscast staff, dysfunctional resource selection, unrealistic budgeting based on irrelevant category comparisons and an obsession with short-term impact, rather than long-term traction. And those flaws are but the tip of the iceberg.

With all this working against you, is it any surprise marketing is failing to deliver results?



But there's a light at the end of the tunnel.

It combines the tactics our mind tells us we need to prioritize with the principles our heart tells us we need to embrace. We've summed it up in an approach we call Responsible Marketing.™

Since 1997, Outsource Marketing has worked with hundreds of companies and met with thousands more.

From the smallest start-ups to the largest most-respected brands in the country, across nearly every category of business, they've come to us for marketing help. They want to gain more or lose fewer customers. The competition is stealing market share and they want it back. Or they want to launch a line of products, need help developing a viral marketing campaign, want to look good so they can cash out . . . all the things you'd expect would drive people to seek out a marketing firm.

What was lacking in all these companies trying to make marketing pay off? On some level, every one of them was failing to market themselves responsibly.

So what is Responsible Marketing? It's a new way to relate to marketing, an innovative approach that considers all of a company's constituencies. After more than a decade of debate and discovery, we believe we've determined the key components that comprise this notion of "responsibility."

STRATEGIC RESPONSIBILITY

Whether the focus is on research, positioning or execution (or all three), it must start with strategy. If there's one cast-in-concrete constant we've come to understand, it's that projects that get green-lighted without the requisite planning to ensure they fit within the larger goals and objectives of the organization are doomed.

In almost every other profession, research, strategy and planning is a given. Nobody wants an attorney who doesn't do discovery before trial, a doctor who won't take X-rays prior to surgery or a developer who won't survey the site before breaking ground.

But all too often, marketers are asked to "take the company to the next level" without even a cursory understanding of where customers and prospects go for their information, how they make their buying decisions or what's most important to them in choosing a product or service provider.

Without setting an overall strategy to guide the marketing game plan, budgets get misspent, priorities get shuffled and projects end up out of sync—at best—if not ill-advised, period. That's criminal, so when marketers acquiesce, we call them "drive-by marketers."

But like time and tides, certain clients stay steadfast against spending on strategic planning. They insist on going straight to execution. Strategic responsibility means never having to say yes to such short-sighted marketing.

MESSAGE RESPONSIBILITY

Let's start with a fact: Prospects have no reason to trust you. After all, does anyone trust anybody anymore? At a minimum, marketers must respect their audiences. Here at Outsource Marketing, that means we respect our clients and our clients' audiences. To do this is straightforward—although never easy—and requires that we help our clients:

- Tell the truth—Varnishing reality won't build credibility or bring repeat business; don't ever work with a company that encourages you to do otherwise.
- Make it clear and avoid clutter—Less is more; memorable means minimal.
- Speak in a human voice—Quit talking at your customers and prospects; begin a conversation with them instead.
- Seek permission and honor privacy—Ask for a response, provide a reason to reply and only collect data with permission.

"We respect all your audiences," is one of Outsource Marketing's core values. Surprisingly, our values page is one of the most visited on our Web site—an indicator that people do care about the principles that guide the organizations they hire.



CASTING RESPONSIBILITY

In business guru Jim Collins' bestseller *Good to Great*, he explains that it's harder to become great if you are already good. You get complacent and stop looking for breakthrough ways to make improvements in your organization. "Good is the enemy of great," Collins famously posited, and what makes for a great business is having the right people.

But a company not only needs the right people, they need to be positioned in the right roles, internally and externally. When key personnel are miscast, they don't deliver what's needed—and they seldom stick around.

In many companies, marketing employees are cast based on industry experience. Although they may be familiar with certain marketing disciplines, to get more value for their investment, managers ask them to do everything—research, strategy, planning, copywriting, graphic design, responding to RFPs, writing and distributing news releases—you name it, they have to do it.

As much as they might prefer thinking strategically, it's nearly impossible. These hardworking folks get overloaded with tactical, reactive marketing tasks: "We want to sponsor a golf hole. Order us some snazzy golf tees and a glossy banner!"

Asking an outside agency or firm for help is frowned upon—"What are we paying you that salary for?" Even if marketers do get the green light to hire outside help, they must sort through some conflicting options:

- **Hire a discipline-focused marketing firm.** If you need primarily advertising, an ad agency is a good choice. If you need general marketing help, not so much. An ad agency will recommend advertising. A PR firm, more publicity. A direct marketing firm, direct mail. If you're a hammer, everything looks like nail. A full-service marketing firm that does everything will be less apt to recommend one discipline over another.

But you need to evaluate the makeup of their team. If it's mostly design staff, you're talking with a design firm regardless of the name on the door.

- **Hire marketing temps.** This makes sense if someone's on maternity leave or sabbatical, but what happens when the temp finds a full-time gig? All that time you spent getting the person up to speed just walked out the door. You need a long-term relationship where knowledge transfer only happens once.
- **Hire a freelancer.** There's talent out there, professionals who trained in established agencies, then went out on their own. Their rates are lower and a few can even pull together ad-hoc teams to handle specific projects. Like temps, the "here today, gone tomorrow" problem often exists, but some freelancers have no desire to work for the man, so you might be alright. However, freelancers have limited bandwidth, and depending upon the role they play, many can't handle larger, lengthier or more complex projects.
- **Outsource your marketing.** Ideally, marketing outsourcing seamlessly pulls all marketing functions together, based on an overall strategy. At its core, marketing outsourcing is the targeted analysis of objectives, coupled with the tactical deployment of resources, all focused on meeting a company's goals effectively and efficiently. The knock against outsourcing is the perception that "you give up control." Our clients would say the opposite is true.

How do you determine the appropriate mix of options? Strategic responsibility suggests that you set your objectives, learn what makes your customers tick and put a detailed plan in place. Then—and only then—can you determine the skill sets you need to maintain sustainable marketing execution using the right mix of best-fit resources based on both ongoing and campaign-specific needs.



EXECUTION RESPONSIBILITY

Remember OJT (On the Job Training) in high school? I do. My OJT class couldn't have been easier. I counted the lunch money, rolled up the coins and took the deposit to the bank. I loved that class because it was just me and a cute girl named Trish. But I digress.

OJT is fine for high school, but far less appropriate for your company's marketing. Some of the best marketers I know are self-trained. Others have a marketing degree, an M.B.A. or even a Ph.D. However, the chasm between academic knowledge and real-world expertise in planning and execution couldn't be greater. Marketers learn from other marketers when they can, but far too many marketing projects are a patchwork process at best.

While nearly every other profession follows defined protocol and procedures, marketing departments seldom do. Process variation is the enemy of efficiency, so execution responsibility demands that you:

- Require all marketing initiatives to flow from a strategic plan
- Follow or develop best practices in all your marketing initiatives—best efforts simply aren't good enough
- Learn to love project management and become proficient at it
- Follow timelines and stay within budgets
- Develop metrics for each initiative to evaluate its effectiveness
- Apply lessons learned after every project
- Understand that reactive marketing happens, but it must be the exception, not the rule

ENVIRONMENTAL RESPONSIBILITY

How much direct mail do you throw out every day? If you're like me, you sort through your mail, then head straight to the recycling bin. It's a default—we do it without thinking. Recently,

the executive director of a board I'm on told me her husband threw out the organization's annual report when it arrived at their home. Imagine that conversation.

We're all aware of the environmental crisis—the evidence is overwhelming, and regardless of our business, the need for action is urgent. But in marketing we have the opportunity to do more than most. Direct mail, the employee handbook, the annual report, and the company newsletter are just a few of the deliverables we produce that can be modified, digitized or circumscribed to reduce the impact of all the printing and mailing.

There are many other eco-initiatives any firm can embrace, starting right in the office. First, you need someone to lead the charge. Then surround them with an empowered committee representing all levels of your organization. We did exactly that, and we were able to move forward quickly.

Whenever possible at Outsource Marketing we:

- Recycle paper, cardboard, plastic, glass, cans, toner cartridges and electronic equipment
- Reuse office supplies, mailing boxes, envelopes and scrap paper
- Eliminate bottled water, paper plates and towels in the kitchen
- Buy refurbished technology hardware and furniture
- Replace toxic cleaners with safer alternatives
- Purchase recycled paper and Forest Stewardship Council-certified paper
- Turn off lights and computers when not in use; set all equipment to power-saving mode
- Schedule virtual meetings and make sure staff are able to work remotely
- Encourage public transportation (we subsidize bus passes)

We've all personally signed a "Green Pact" pledging to reduce, reuse and recycle. Once



you've made the commitment within your own organization, selling greener marketing externally will be easier. A place to start:

- Use recycled paper for all printed materials
- Reduce size and/or frequency of printed communications
- Consider whether to print at all: many recipients prefer e-communications over print
- Chunk larger documents: Digitize longer docs and design easily digestible summaries that people can read quickly; reference the larger document
- Use a Forest Stewardship Council-certified printer
- Clean up your mailing list
- Add an 'opt-out' option on direct mail so recipients self-remove from your list (this is message responsible, too)

SOCIAL RESPONSIBILITY

Social responsibility is vital for marketers—indeed, for the entire business community. If we want to sell our products or services to enlightened and informed customers, we must consider our role in helping reverse the disturbing lack of trust in corporate America.

How to do it? Like environmental responsibility, it starts internally. First, you must upgrade and improve your work environment—and the marketing department is a good place to begin.

As discussed earlier, marketing employees are often treated as an afterthought—necessary overhead a company must endure. Thus, training often goes lacking, along with other opportunities for professional growth. Without the appropriate training, many marketers lack the skills necessary to lead, manage or even secure the resources they need to do their jobs effectively.

But the potential for social responsibility to impact business operations and revenues is significant. According to a recent survey of more than 500 executives by the accounting and tax advisory firm

Grant Thornton LLP:

- 75 percent of respondents believed corporate responsibility could enhance profitability
- Only 25 percent said profits needed to be sacrificed to meet responsible objectives
- 50 percent expected greater allocation to social responsibility programs
- 45 percent said economic or governance responsibility initiatives would receive more funding

Even more revealing were the top three benefits of corporate responsibility as identified by the executives surveyed: Improving public opinion, enhancing customer relations and attracting and retaining talent. Those are benefits—if not directly to the bottom line, certainly to an organization's long-term viability—that cannot be overstated.

Social responsibility means paying more than lip service to diversity issues. It means a thorough grounding at all levels of the organization in racial, cultural and gender sensitivity. It means understanding that within this generation marketers will be trying to connect with what demographers are labeling the "minority-majority."

Serving the minority-majority isn't optional—it's essential for business. Between 2005 and 2050, 90 percent of U.S. population growth will come from minorities, and those minorities will become the collective majority. Savvy marketers already recognize this, and those who have chosen to communicate with customers and prospects in culturally relevant and inclusive ways are breaking through in the most powerful way possible—by literally speaking the customer's language.

ROI RESPONSIBILITY

Because marketing must ultimately impact the bottom line, measurement is mandatory. It's a venerable adage in business that what gets measured, gets done, but it's true. A marketing plan devoid of post-campaign assessment to quantify results is a plan that is—at best—incomplete.



The good news is that it's easier than ever to measure marketing effectiveness by tracking:

- E-zine or promotional e-mail subscribers—when they open it, what they click on and to whom they forward it
- Web site visitors—where they enter, leave and their click-stream along the way
- Telephone inquiries—name and identity of callers, which campaign they're responding to and even recordings of the call to measure qualitative value
- Responses to direct mail and print advertising—by using Web landing pages and unique phone numbers
- Pay-per-click hits—by tracking keywords, copy, click-throughs and purchases

To be ROI responsible, you budget for pre- and post-project measurement, so you can do more of what's working and scrap what isn't. This learning also illuminates the other key to ROI responsibility: budgeting.

I've been asked dozens, if not hundreds, of times: "For my industry, what percentage of sales should we devote to our marketing budget?" I get it from my students. I get it from our clients. And I get it from the people in the audience when I speak. My answer is usually, "It doesn't matter" or, "Why do you care?" depending on how feisty I'm feeling.

Think about it. Do you really want to do what your competitors are doing? Even if you did, your goals and financial capabilities would never be identical.

Zero-based budgeting is required, a process that simply means don't start with baseline assumptions. Don't pre-project budgets based on industry averages or agency recommendations that don't reflect your company's goals and resources. Start from scratch to build your budget. Pay what you need to meet your goals, based on the appropriate strategy, tactics and deliverables necessary to execute your marketing plan.

AN ADRENALINE BOOST FOR YOUR MARKETING—AND YOUR COMPANY

When considering the elements of Responsible Marketing, I knew people would understand strategic responsibility, execution responsibility and ROI responsibility. For most business leaders, it's something they intellectually know they need to do. In fact, some experts would argue that operating responsibly in those areas is merely table stakes.

But after serving hundreds of companies and meeting with thousands of prospective clients, I can tell you that it's seldom done. If you address strategy, execution and ROI responsibility alone, you're already doing considerably more than most businesses.

The rest of the package—casting, social, environmental and message responsibility—might seem a bit soft and fuzzy. Don't make that mistake. Doing good is the backbone of Responsible Marketing. Emotionally—deep down in our hearts—we know it's something we ought to do.

Clearly, companies and individuals want to work with values-based organizations. In fact, they're hungry for it. At some level, almost everyone prefers to be associated with great brands and remarkable ideas. Responsible Marketing offers a framework that responds to our needs and our wants, our mind and our heart. It's something your company can rally around that's good for you and your customers.

But the bigger reason we're so excited about Responsible Marketing is the very reason it will help you break through the clutter. We're all part of Earth's two largest affinity groups: inhabitants of a planet that desperately needs our attention and members of the human race—groups that want—and need—to do the right thing.

*Patrick Byers is the founder of Outsource Marketing and the **Responsible Marketing Blog**. He writes and speaks regularly on marketing responsibility, social media and social good. Outsource Marketing offers strategic, seamless and sustainable marketing to help clients attain responsible results.*

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