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November 2003

## Four Steps to Better Behavior Marketing

**Any marketer for any business can develop effective behavior-driven plans that grow the business. And online can deliver significant business impact.**

By Peter L. Klinge, Jr.

Many online marketers are still uncomfortable with behavior-driven marketing, and remain too dependent upon demographics for their planning decisions. Other marketers choose to move forward and make their business more ROI-driven.

There are four basic steps for creating more behavior-driven performance and success in online marketing programs:

1. Gain perspective on the company and its goals.
2. Determine the behavior flow of the buy-sell process.
3. Create a scaleable test.
4. Find a leadership champion in the organization.

Here is some advice for overcoming the hurdles, evaluating and developing a plan:

**Gain perspective by strategically assessing the company's business prospects for the sale of its goods and services.**

Ask questions about the business plan and how marketing is linked to the goals and success of the enterprise; and don't rely on a communications brief. For example:

- Define the key benefits and advantages that the company's offer possesses.
- How is the product to be positioned? For example, relative to direct competitors. Or if it's a new product, are there touchstone references a consumer might be familiar with?

- Source of business: Is this a new market, or is this a direct competitive pitch to switch a customer?
- How is the product to be sold? For example, the means of distribution: online only, in-store, mail-order, or perhaps it's a multi-channel strategy.>
- What is expected of the customer and how is the overall marketing mix to shape his or her product interest? For example, product uses and occasions; customer acquisition or retention?
- Look for the company's outlook or vision statement -- common in annual reports -- to identify corporate milestones, and investment resources necessary to achieve success. This information will present perspective on the company's prospects and opportunities to build a sustainable business.

### **Determine the behavior flow of the sell-buy process.**

Define the potential customer universe and conversion rates. The media plan's objectives, i.e. reach and frequency, are an important starting point. Also consider offline advertising's media impact on the online customer channel. Set conversion goals at each stage of the buy process. For example:

- x% of those aware who will consider.
- x% of those who consider will try.
- x% of those trying who actually buy; then repeat purchase.

By setting conversion goals, the marketer establishes a metric pattern to help define most likely purchasers and a higher value customer base triggered by behavior and interactions. This of course varies according to whether the item is a considered purchase, or a high frequency purchase, e.g. cars versus toothpaste.

- Evaluate user path behavior by applying Web analytics.
- Survey users about their consideration and buy process.
- Compare results to the goals and adjust for future programs.
- Results should be repeatable, and tests modified to learn and improve on the programs.
- Initial test efforts can be managed on limited budgets, but be realistic about the rollout budget and resources of a full-scale program.

### **Create a scaleable test program.**

Direct or behavior marketing is intended to stimulate response and evaluate ROI. There are three principles in order of importance to adhere to:

- List or audience -- a qualified, marketing receptive audience is critical; know relevant target information pertaining to your product, i.e. lifestyle, recency and frequency of category-related purchases.
- Offer -- what is the motivation or incentive to try or buy an item?
- Creative -- presentation and simplicity of message that provides the audience with a call to action.

### **Establish a test plot appropriate to your business:**

- Try three to four offer programs: free trial, discount if buy online for limited time, or additional merchandise with purchase.
- Target offers to different audience segments to assess which segments are more or less offer-responsive
- Understand the quantitative and qualitative factors for the varying responses.

### **Make sure the test effort is scaleable so as to be meaningful throughout the company:**

- Test efforts should be applied to typical product situations, and maintain a pragmatic view of how a company works. Do not create a test environment that is too limiting in its success, or potential revenue impact.

### **Find a leadership champion in the organization.**

Attach the success of a program to the company's sales goals, and then find a senior manager or executive with sales revenue goals to sponsor the test. For example:

- He or she has a vested interest in the program success.
- The person will benefit from the sales success.
- He or she will support and influence test expansion for other product programs in the company.

Any marketer can benefit by following these steps in evaluating a company's entire marketing and multi-channel mix. This also furthers a marketer's understanding of heavier/higher value customer segments.

All brands have a heavy user segment -- a small customer group that buys or consumes more than any other group. This applies equally to widely consumable products such as soft drinks and smaller, niche brands.

These four steps, taken as a starting point, can help marketers develop behavior, ROI-driven marketing goals and strategies linked to sales performance. Marketers who follow this advice will be better able to:

- Gauge successful interactions of the online and offline customer buy process.
- Improve marketing spend efficiency.
- Deliver higher rates of conversion and sales with most important customers.
- Build credibility for online business effectiveness.

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3

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