



"Business Growth Solutions"

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From the Editor

Welcome to the 28th issue of The Revenue Accelerator™. [Market Development Group](http://WWW.MARKETDEVELOPMENT.NET) (MDG) aims to provide practical revenue and profit generator tools for MDG clients, colleagues and friends. The Revenue Accelerator™ circulation has grown to over 3,500 business leaders worldwide since our first issue was published in 2006. We welcome any suggestions of articles or topics you would like to have included in future issues.

The guest writer in this issue is **Michael Cannon**, CEO and Founder of [Silver Bullet Group](http://WWW.SILVERBULLETGROUP.COM). Michael shares valuable strategies for increasing market effectiveness.

Eric W. Wiedenmann
President
[Market Development Group, Inc.](http://WWW.MARKETDEVELOPMENT.NET)
(925) 648-0680
ericw@marketdevelopment.net

Marketing Plans That Work

By: Eric Wiedenmann

Having an effective marketing plan is "[your roadmap to success](#)." Having no plan or an ineffective plan is planning for failure. During the past 38 years, I have written, edited, revised or read 100's of marketing plans. Whether an organization is a public or family owned business, mature or startup business, or a provider of manufactured products or services **there are 10 essential factors in common required to have an effective marketing plan**. These factors are briefly summarized below:

1. **A great marketing plan must be built on realistic assumptions.** When you act on things that you *wished* were true then you are going to make some really bad calls.
2. **The plan must be financially sound.** It must drive profits and create value to all the stakeholders. A company cannot survive very long without profits.
3. **The plan must have a clear picture of the problems solved or value added to the target customers.** Customer pain points or motivations must be well documented as there is no business without satisfied and sustainable customers.
4. **An understanding of the strengths and weakness of your company relative to the competition is critical.** This is needed to drive successful competitive strategies such as being the low cost producer or having a premium position by having the most features/benefits.
5. **The plan should be well organized** and it should contain a one page executive summary, table of contents, range from about 10 to 25 pages depending on the complexity of the business, and have backup data such as articles, assumptions, and other supporting data.
6. **Primary and secondary research** from customers and target customers, competition, economic trends and any other area that impacts the success of the business must be conducted in a timely manner.
7. **The plan must have the support or “buy in” of top management and/or the business owners.** This is needed to obtain the resources needed to implement an effective plan.
8. **The plan should contain no more the 3 to 5 five strategies.** Having more will dilute the efforts and reduce your chance of success.
9. **Specific milestone dates, budgets, and responsibilities must be clearly stated.** What gets measured gets done. Without this, you only have a “vision” without measurable accomplishments.
10. **Quarterly reviews** are needed to make adjustments to the plan since events beyond the control of the company will always occur.

If you would like to understand how Market Development Group can provide your company with an effective marketing plan, visit www.marketdevelopment.net or call me at 925-648-0680.

9 Strategies to Increase Marketing Effectiveness: *Enabling Greater Competitive Differentiation and Faster Revenue Growth*

By: Michael Cannon

The question, “**what do we need to do to make Marketing more effective?**”, has been a topic of discussion in articles and books for decades. The most recent reincarnation of this topic resides under the banner of sales and marketing alignment. And, while there are many good ideas for “what to do”, true improvement remains minimal, according to over a decade of [research](#).

The problem is that we are asking the wrong question. Instead, we need to focus on the systemic, root-cause issues: “Why is it so difficult to increase marketing effectiveness?” Understanding “why” yields a more useful answer to “what do we need to do?”.

Before answering these questions, let’s clarify some terms. The word “customer” includes both Marketing’s internal customers, such as field sales, inside sales, sales operations, and field marketing, and its external customers, such as the end users, channel partners, market and financial analysts, and investors. The word “marketing” includes the product management, product marketing, and corporate marketing teams.

The 4 Biggest Obstacles to Improving Marketing Effectiveness

When you peel the onion back on marketing effectiveness, what you find is that the obstacles are focused primarily on four categories of marketing content:

1. Customer-facing collateral (company website, brochures, videos, etc.)
2. Demand generation (advertising, events, etc.)
3. Internal-facing sales tools (competitive analysis, sales opportunity overviews, etc.)

4. Sales support training (product, competitive, sales enablement, etc.)

When you peel down to another layer, what you see is that it's often not the content that's the problem but rather the messaging in the content — or more specifically, the lack of effective messaging: the messaging is focused on what your product does and how it works instead of being focused on how the customer can more successfully achieve their business objectives using your product.

Proof that most customer communication (messaging, content, and sales conversations) is ineffective can be seen year after year in [numerous research reports](#) such as the one from which this excerpt was taken:

62% of buyers said that content is either not relevant or not useful. Buyers said they want shorter buying cycles, but the lack of relevant information to educate them, and all other influencers, is slowing things down."

IDC, 2012 Sales Enablement Strategy: Content is King So Why Does Sales Feel Like a Jester?

9 Strategies to Fix the Obstacles and Increase Marketing Effectiveness

Now let's get back to the question of "why." Below are the top nine reasons why it's so difficult to improve marketing effectiveness and some practical ways to make meaningful improvements:

1) Poor visibility into the true cost of ineffective customer communication. SBG research indicates that the true cost of ineffective customer communication is between 10% and 20% of a company's annual revenue. In the U.S. alone, B2B companies lose hundreds of billions of dollars annually to ineffective customer communication. There is no line item in the P&L for this cost. Ineffective customer communication cost is hidden in the company's business model in the form of higher discounting, lower win rates, and slower revenue and market share growth. It's hidden in Sales' (field, inside, field marketing, sales operations) and the channel partners' budgets as the 15-20% of their time spent trying to close the gap between what they need to effectively do their job, and what Marketing produces.

Solution: Gain visibility into the true cost of ineffective customer communication by conducting assessments such as a Sales/Channel Time Usage Study, a Collateral and Sales Tools Gap Analysis, and targeted customer surveys.

2) Lack of clear differentiation among messaging, content, and tactics. Messaging is a summary answer to the prospective customer's primary and secondary buying questions – the key points that must be communicated to convince a person to engage and buy. Messaging is integrated into content via copywriting and the creative process and integrated into sales conversations by way of the communicator. The less effective the messaging, the less effective the content and conversations. It's that simple.

Separating messaging from content enables you to make the content much more effective. For Marketing, content can be landing pages, collateral, whitepapers, websites, and presentations. For Sales, content also includes competitive briefings, ROI calculators, call guides, and sales support training such as product or sales opportunity training. These "content tools" are then presented to the customer via various tactics. For Marketing, the tactics can be campaigns, seminars, trade shows, etc. For Sales, the tactics can be sales conversations, emails, and voicemails.

Solution: Create a customer engagement model with a common vocabulary for the go-to-market components that Marketing creates and that Marketing's customers need or use.

3) Inaccurate model of the categories, styles, and types of messaging required for market success. When you look at the types of conversations we need to have with prospective end-user customers, they quickly break down into five, as defined by the buyer's primary buying questions:

- "Why should I consider your product?" for demand creation
- "Why should I meet with you?" for meeting creation
- "Why should I change from the status quo to a new solution?" for opportunity creation
- "Why should I buy this new solution from your company instead of your competitors?" for order creation
- "Why should I buy now?" for urgency creation

The problem is that most companies are using descriptive messaging to answer the prospective customer's primary buying questions -- and it's not working. This style of messaging or

communication is not effective, as the research referenced above indicates.

As you see in this [customer communications model](#), the product messaging category describes what the product does, what's included, how it works, and what some of its key benefits are. It's all the typical "content" in a product brochure. What it does not provide is a persuasive answer to the prospective customer's primary buying questions. What's missing, as you can see from the map, is an entire style of messaging called "persuasive messaging". This missing style is designed to provide highly persuasive, i.e., clear, relevant, differentiated, and provable, answers to the prospective customer's "why" questions. Persuasive messaging enables the highly influential conversation that both Marketing and Sales need to have with customers.

Marketing needs to integrate both descriptive messaging and persuasive messaging into its content in order to be more relevant to customers.

Solution: Use the sample customer messaging model as a reference, and create a company customer messaging model that's aligned with Marketing and Marketing's customers, too. Then create the required messaging and integrate it into your content. The result is a framework that gets all stakeholders on the same page, prior to the development of your messaging and go-to-market content.

4) Misguided priority setting. Messaging is not seen as the only item that has the greatest impact on the effectiveness of all your customer communications (content and sales conversations). Additionally, marketing teams are rewarded for the quantity of content produced to launch and support products, rather than the effectiveness of content, i.e., how well does it support the buyer's decision process and the sales team's ability to support that process?

Solution: Reset your priorities. Acknowledge that messaging is "the fuel" on which your marketing and sales engines run. Then reprioritize and renegotiate deliverables with stakeholders so that you have the resources and time needed to produce more persuasive messaging and more influential content. It's far better to produce fewer, more effective pieces of content than the other way around, as is the norm today.

5) Erroneous business model for allocating sales and marketing resources. A large percentage of the channel readiness work needed to enable the channel (field sales, inside sales, customer service, and channel partners) to successfully sell the value of the company's products and services is not clearly defined across the marketing and channel organizations. The impact is that the resources required to complete the channel readiness work are not allocated correctly, or are underfunded. Studies indicate that 15-20% of the channel readiness work is done by the channel, one rep at a time and one deal at a time, as the high-level descriptive messaging is translated into persuasive messaging/conversations. From a business-model perspective, wouldn't it be more effective to have Marketing do more of this work and then leverage it over your entire channel organization? The answer is an obvious yes, but tasking Marketing to do more of the channel readiness work, even if it wants to, will have limited success.

Most marketing organizations are already resource-constrained and unable to fulfill many of their commitments. The business model restricts the reallocation and reprioritization of sales and marketing resources needed to increase performance.

Solution: Gain a clear understanding of how much time and effort your channel invests into re-creating messaging and collateral — and why they do it -- and calculate the dollar value of the work. Then create a channel-readiness model that defines the customer communication (messaging and content) needed to support the buy cycle, from lead generation to retention, and agree on which stakeholder is responsible for creating each deliverable. Combine this work with the ideas above, and you will have a much better business model for correctly allocating sales and marketing resources to drive greater market success.

6) Ineffective new product development process or commercialization process. In addition to fixing the business model, the new product development process (NPDP) must be revised. The NPDP in most companies focuses on how to bring new products and capabilities to market quickly. While these capabilities are typically wanted by the target customer, they are often not highly aligned with solving meaningful customer business problems and, in particular, the ones that the customer would be willing to pay money to get. Additionally, the NPDP produces mostly high-level descriptive messaging and content, resulting in less-effective channel readiness tools and slower customer adoption.

About 50% of all new products end up failing.

Solution: For greater market success, reframe the product-development process into a customer-development process. You can move in this direction by [integrating persuasive messaging](#) and

Geoffrey Moore's Technology Adoption Life Cycle into the NPDP, starting at product definition. Combine this work with #5 above and you will have a much more effective process for bringing successful new products to market.

7) Lack of method and skills to create the most persuasive messaging. Addressing the systemic issues above is necessary to increase customer relevancy, but it's not enough. This is because, as a whole, the marketing profession does not have a repeatable process for "how to" create highly persuasive messaging. The research referenced above clearly supports this observation. What's been missing up until recently are [objective criteria](#) to evaluate messaging effectiveness prior to testing or launch and a methodology to create [highly persuasive messaging](#). It's a significant gap in Marketing's tool kit.

Solution: Use the criteria above to assess the effectiveness of your current content and deliverables. If there is a meaningful gap, then create an internal core competency around persuasive messaging. The fastest and most cost-effective way to do this is by hiring a firm that has expertise in enabling organizations to successfully define, create, and deploy the most persuasive messaging, and engage customers with the most influential communications (content and conversations). If the skill set was easy to develop with your current resources, many of the problems discussed in this article would not exist.

8) Poor alignment around the definition, rating, hand-off, follow-up, and reporting of leads. There must be a Dilbert cartoon for this infamous pain point between Marketing and Sales. Marketing complains that it produces lots of leads but Sales does not follow up. Sales complains that the leads are mostly suspect, and thus useless, and/or too time-consuming to chase.

Solution: Create a sales and marketing effectiveness task force and empower it to create a solution around these items. Stop treating lead generation as a one-off campaign, and start treating it as part of the customer-development business process. Then automate the business processes with a [marketing automation](#) platform, and [use persuasive messaging as the secret ingredient to achieve the best demand-generation results](#).

9) Limited sales experience. Some believe that marketing professionals will always struggle to be relevant to customers because most have little-to-no sales experience. They lack fundamental knowledge of what customers need (messaging and content) to make a good buying decision and what Sales needs (messaging, sales support training, and sales tools) to enable the customer to make a good buying decision.

Solution: While having a policy to hire more marketing professionals with sales experience and/or to rotate marketing professionals into Sales, or visa versa, makes sense, it's often a time-consuming and expensive long-term solution. By implementing one or more of the ideas in this article, you can cost-effectively enable Marketing to understand what its internal and external customers really need to be more successful and how to give it to them.

Use these 9 strategies to make your marketing more effective - to create greater competitive differentiation, and to be a driving force behind faster revenue growth.

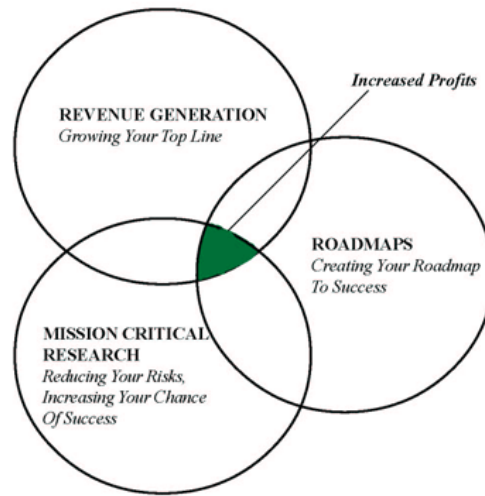
Resources to Implement the Most Influential Customer Communications

- Read [free articles](#) about how to define, create, and deploy persuasive messaging.
- [Register](#) to review persuasive messaging examples.

Get [The Buyers Guide: Everything You Need to Know to Engage Customers with the Most Influential Communications](#)

Michael Cannon is an internationally renowned marketing and sales effectiveness expert, best-selling author, speaker and an authority on enabling B2B companies to engage customers with the most influential communications. For more information visit www.silverbulletgroup.com.

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Contact **Eric Wiedenmann** to learn how **MDG** can help increase your company's sales and profit goals quickly and cost-effectively.

Phone: [\(925\) 648-0680](tel:(925)648-0680)

Email: ericw@marketdevelopment.net

