Berger's Guide

To

Hybrid Direct Marketing

a2.com

David A. Berger

Value Added Services Marketing Group, Inc.

P.O. Box 3271

Ann Arbor, MI 48106

Phone: 734-741-8913 or 800-862-4242

Fax: 734-741-4839

E-mail: dave@a2.com

URLs: www.a2.com

Meet David A. Berger, the author…

With more than a decade of experience applying sales and marketing techniques adopted from companies such as IBM, HP, Dell, and Microsoft, Berger is a leading expert on Hybrid Direct Marketing (DM). A best-selling author and consultant, he looks forward every year to facing new challenges as he helps companies understand and implement Hybrid DM.

As a Hybrid Direct Marketing Strategist for IBM, he developed marketing campaigns for its most prestigious customer base of Fortune 100 companies. IBM's total sales from direct marketing is reportedly more than $15 billion.

Applying his techniques at Buhler Limited of Switzerland, Berger generated record sales of more than $5 million. He was a pioneer, selling new technology to companies such as General Motors and first-tier suppliers. Many of his sales were firsts for North America. He was able to cut sales cycles and expenses in half by using his Hybrid DM techniques.

He has consulted for technology leaders such as ABB, Silicon Graphics Computer Systems, Bowne Internet Solutions and Sigma6 Multimedia. Also, he enjoys traveling throughout Michigan working with resorts such as Grand Traverse Resort, Boyne USA Resorts, Garland and Holiday Inn Tawas Bay Resort.

He holds a Bachelor of Science degree incorporating technology, business, English and Japanese for business communication. He has a passion for international cuisine, music and working with people from around the world. His website URL is www.a2.com.

He has been interviewed on radio and television and published in magazines and newspapers.

Contents

The Hybrid Vision—*Simplicity, Elegance*

If your vision is to break through conventional sales and marketing barriers, Hybrid Direct Marketing is for you. Unleash your sales and marketing departments' full potential by making effective use of company resources (e.g., information, technology and teamwork). After reading this booklet, you may find additional material such as case studies, testimonials and real-life examples at www.a2.com.

Companies employ sales directors, senior and junior account managers and inside sales reps to meet growing customer demands. Many marketing departments generate leads through trade shows, direct mail, telemarketing, seminars, print advertising, Internet, e-mail or fax blitzes; however, without an integrated marketing plan, results are usually less than desired. Forward-thinking companies are building databases and requiring their sales force to be computer literate. Though their strategies differ widely, CEOs always ask the same question: What else can be done to improve our bottom line?

Few companies understand how to integrate a *complete* hybrid system. You will learn about a new approach to sales and marketing: It combines the art of selling with the science of marketing to foster, nurture and maintain relationships with hundreds of prospects and clients at once. By unleashing the full potential of today's information technology, you can simultaneously increase sales and improve customer service.

Fred Fassman, V. P. for distribution at IBM, tells *DM News* how its Hybrid DM approach has benefited the company. According to Fassman, direct marketing sales grew from zero in 1992 to an astonishing $10 billion in 1996, and he accurately projected IBM's DM growth would be $3 billion per year.

The strategies of Hybrid DM can be implemented in phases and swiftly integrated into existing sales and marketing plans. Existing processes are reviewed and rebuilt to function more efficiently. Major details of the sales and marketing plan are clearly documented, allowing teams to share information while working toward a common goal—*boosting sales*.

The Information-based Organization

Hybrid DM produces the best results with an information-based organization using a central database. You'll need to take a close look at your company's sales processes and modify them to function more efficiently. It is important to standardize your computer hardware and software, and create templates for sales letters, proposals and reports.

An analogy may be useful here. In a symphony orchestra, each member possesses a specific skill, but all are playing from the same score (see Fig. 1). Individuals function as one under the baton of the conductor. Similarly, an information-based organization fosters an effective sales force with a flat management structure.

Orchestra Concept: Strip away management layers.
Each player is a specialist following the same music score.
But one director leads the entire group.

David A. Berger

Fig. 1

Within the information-based organization are several departments functioning similar to volleyball teams (see Fig. 2). Every member of each team has access to the same information as the others—each can rotate and fill in for another person as needed. Also, the chance of one individual stealing the limelight is minimized. The sales manager is a mentor and acts as the team captain. Hence, a real team spirit thrives.

Volleyball Team Concept: Filling in as needed.
Every player knows the other players' position.

Fig. 2

An information-based organization facilitates sales through teamwork. The goal is to target the right people at the right time and deliver the right messages, always considering: what you intend to say; what you actually say; what your listener thinks he hears; and what your listener actually hears. Feedback from your listener is essential to assess your communication effectiveness.

In the past, a salesperson had to rely on being in the right place at the right time. He usually dealt with one or two people within a buying organization. Nowadays, with more people involved in a sale you must use technology to communicate with all purchasing committee members. It is essential to construct a database to help manage the enormous flow of information needed to complete the sale. Each client contact, whether by mail, fax, phone, etc., must be carefully

4

planned and executed. It should contribute information used in the M-I-N-T™ qualification process and move the prospect through the sales process.

The Marketing Pyramid

Fig. 3 illustrates the marketing fundamentals, AIDA—Attention, Interest, Desire and Action. Hybrid DM incorporates AIDA into every marketing campaign, especially the Internet. I've seen some great looking Web sites that failed to live up to their potential. Many Internet marketers seem more interested in having a cool-looking site rather than one that elicits a response from a visitor such as entering a contest, requesting additional information or ordering a product. The sites I have visited and responded to in some way usually failed to fulfill my specific request. Furthermore, sites without database capabilities kept no record of my request—yet another lost opportunity.

Action

Desire

Interest

Attention
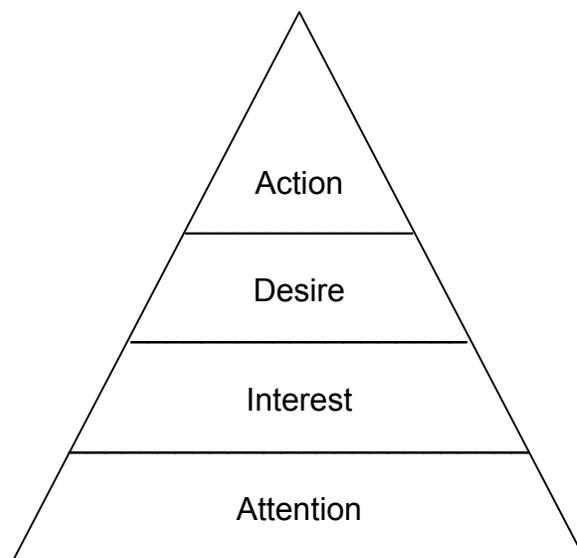
Fig. 3

Incorporate AIDA into every marketing campaign

The Lead Pipeline and M-I-N-T ™

A revolution in selling is taking place. The role of a salesperson is changing dramatically; he can no longer get by on just a smile and a shoeshine. Today, with so much selling occurring from the top down, it is difficult for many salespeople to get past the gatekeeper. Because few executives have the time to see someone without an appointment, "popping in" could be interpreted as discourteous and unprofessional. Even if the salesperson succeeds in getting in the door of a new prospect, he can only make a limited number of cold calls in a day. The goal of Hybrid DM is to help salespeople spend more time closing deals and less time knocking on doors.

Filling the Lead Pipeline

Sales
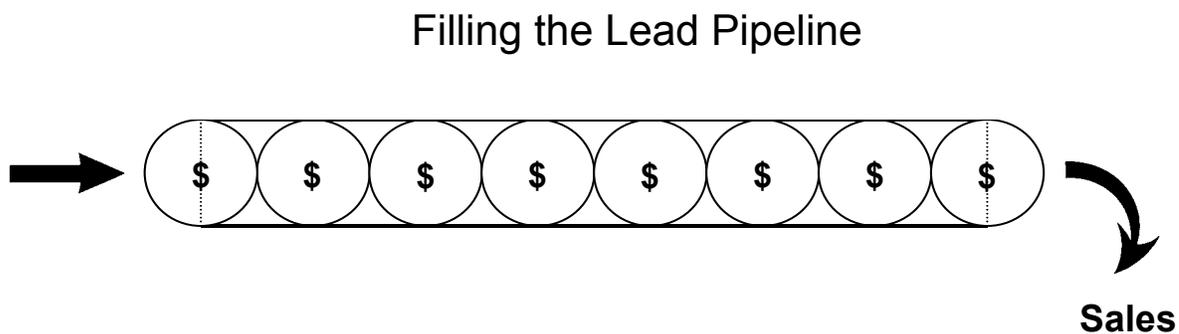
For every 8 business opportunities, 1 sale is generated

Fig. 4

Hybrid DM helps fill the lead pipeline (see Fig. 4) with opportunities already qualified via the M-I-N-T™ process (see Fig. 5). Typically, if three or more M-I-N-T™ criteria are met, the lead should be fed into the pipeline and given to a salesperson for follow-up and nurturing. Assuming a ratio of 8:1, for every eight opportunities identified (and quoted), one sale will result. If your monthly sales goal is $25,000, you'll need $200,000 in the pipeline each month.

The M-I-N-T™ Qualification Process

✓ *M* — Has the **MONEY** to purchase the solution

✓ *I* — **INFLUENCES** the decision makers

✓ *N* — Has a rational **NEED** for the solution offered

✓ *T* — Meets **TIME** constraints

Fig. 5

Fig. 6 illustrates a lead generating system incorporating the M-I-N-T™ process—an essential component for converting inquiries into qualified leads. Every communication with the prospect unobtrusively performs M-I-N-T™ intelligence.

Raw Leads
↓
Prospects
↓
M-I-N-T
Qualification Process
↓
Sales Process
↓
Sale

Fig. 6

David A. Berger
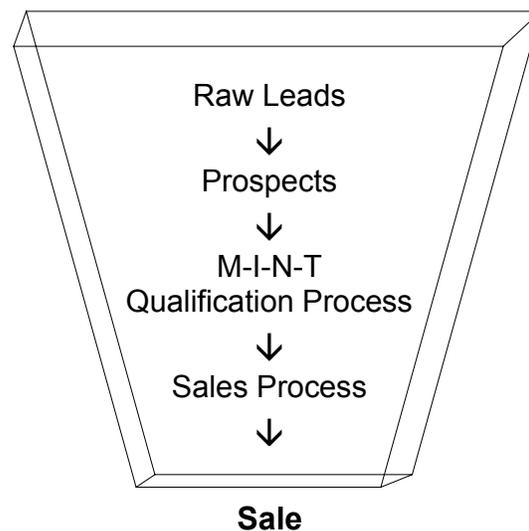
Information Strategy & Database Layout

Fig. 7 below provides a sample Hybrid DM information strategy and database layout. At the center of the layout is M-I-N-T™, providing an indicator as how you should pursue the prospect.

In addition to collecting basic information (name, address, phone, etc.) you should:

- display where the prospect is in the sales cycle and the next steps to be taken using the ID/Status and Comments (or account summary) fields
- perform marketing analysis by collecting the prospect's business type, solutions offered, number of employees, annual sales and campaign, lead source and original source history
- include sales forecasting and tracking information

PPS—*Persistent Pressure Sells*

To communicate effectively, at least four different approaches should be used: mail, e-mail, fax and phone (see Fig. 8). The frequency and amount of information distributed affects the whole process. Presenting too much information, too fast, overwhelms the recipients. It is important to break communication down into smaller, more digestible pieces—permitting greater absorption.

You need to have ongoing dialogue with your prospect. Information should be exchanged regularly with as many members of the purchasing team as possible. Material is presented not only as a sales message, but also as objective information with *real* value to the prospect— reports, news clippings, newsletters, etc. This approach will enable your prospect to make better-informed decisions more quickly, while building your credibility.

PPS

Fax   **Mail**

E-mail   **Phone**
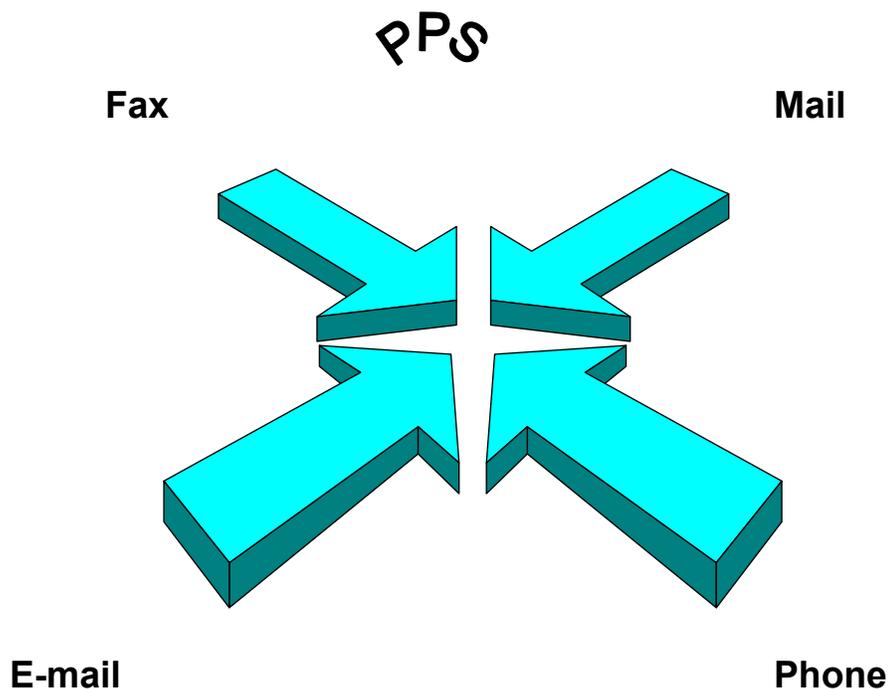
⊠ *Persistent*
   ⊠ *Pressure*
      ⊠ *Sells*

Fig. 8

Internet Marketing

The Internet is an increasingly popular business tool. Your advertising, tele-coverage and direct

marketing efforts should drive traffic to your Web site, as demonstrated in Fig. 9. To ensure your

success, an Internet marketing expert must be employed. He or she must understand the unique

combination of marketing and technology. When marketing 'muddles around' with e-mail and the

Web, IT managers often get nervous; they don't always see the value in hosting virtual events,

voice over IP and electronic commerce linked with internal databases. To keep peace, your

Internet marketing expert must speak IT's language and get along with your IT personnel. He or

she must understand what your internal resources can and cannot provide and help make

decisions about when and to whom you should outsource.

Benefits of Internet marketing include: 1) easy integration with other media, 2) over 50% less

expensive than traditional direct mail, 3) campaigns can be changed on the fly in real time,

4) ability to foster one-to-one relationships and 5) a worldwide presence for your company.

Internet

Fig 9

David A. Berger
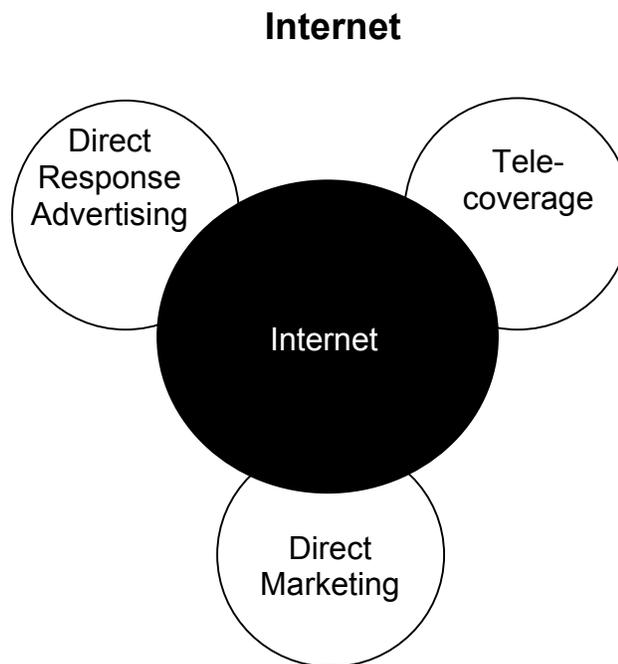
Imagine generating qualified leads every day without mailing a single letter or placing a single telephone call. . .that's exactly what you can do with the newest Internet marketing concepts.

Most Internet marketers focus on the number of "hits" to their Web site, overlooking the value of applying AIDA concepts, building contact databases and creating one-to-one relationships.

The information I gather from visitors includes name, address, phone, fax, title, type of business, e-mail and—best of all—answers to seven qualification questions. I've developed a database that automatically stores the inquiries as they come in. This approach ensures a running start.

Here's a recent Internet success story from *DM News*:

> 3Com invested $200,000 in an Internet advertising campaign to build an online prospecting database that netted nearly $4 million in sales. In all 22,372 people responded.

> Besides being able to change the media plan on the fly, the beauty of the 3Com campaign also lies in how inexpensive leads are to process—entrants filled out their own information online, eliminating administrative costs.

In addition, if you have or are considering setting up a Web site to sell a product or service, ask yourself what happens to a visitor who doesn't place an order immediately. Is the journey over? …*No*, it is just the beginning. What strategies can be employed to nurture the lead?

David A. Berger

Internet Marketing Checklist

In addition to offering information about your company, your Web site should use:

- ❑ e-commerce for order entry, processing and tracking
- ❑ traditional media to drive traffic to your Web site
- ❑ online forms as a response path in direct marketing campaigns
- ❑ campaign-specific URLs to track responses by campaign
- ❑ e-mail as promotional responses, fulfillment or follow-up
- ❑ automatic e-mail response capability
- ❑ virtual events or seminars
- ❑ print-on-demand (price sheets, brochures, coupons, contracts)
- ❑ online demos and trials
- ❑ distribution of live products
- ❑ private areas for customers
- ❑ cookie technology for visitor tracking
- ❑ database integration to capture visitors' information
- ❑ database capabilities to dynamically generate personalized pages
- ❑ information you've collected to recruit hard-to-find employees
- ❑ links to other Web sites to attract new business
- ❑ banners to promote your offerings

Did you:

- ❑ create META tags for all Web pages (i.e., page definition & key word search criteria)?
- ❑ register easy-to-remember domain names such as *your company.com*; *your product.com*; *your niche.com*; *your company's initials.com*?
- ❑ register your site in major search engines such as Yahoo, Excite, Lycos, etc.?
- ❑ register your site in business and industry-related search engines?
- ❑ request links from complementary sites such as associations, publications and satisfied customers?

Conventional Sales/Marketing Wisdom

Typically, companies require salespeople to perform the following tasks: generate leads, prospect, cold call, qualify, pre-sell, close deals and maintain every relationship. The Conventional Sales/Marketing Model is depicted in Table 1. It shows salespeople juggling too many tasks; therefore, they function inefficiently.

Most companies rely on only a few sales and marketing tools such as mass mailings, trade shows, catalogs and now Web sites. However, without a specific plan, these tools are typically mismanaged.

Does the following sound familiar?

The majority of the leads generated from the last trade show sit around for weeks before anyone remembers their existence. By the time someone follows up, the leads are cold. (The few good leads skimmed off by the sales force were most likely lost in the shuffle.) Your last direct mail effort received a dismal 1-2% response rate. The few qualified leads generated from the mailing shared the same fate as the trade show leads—lost in the abyss.

Your Web site hasn't generated any measurable amount of real *business. It hasn't improved customer service, nor has it reduced the number of incoming calls. Coworkers are asking: "Why are we doing this?" You're having a difficult time justifying your Web site's expenses.*

Conventional Sales/Marketing Model

Sales Potential	Generating Leads	Prospecting & Cold Calling	Qualifying Leads	Pre-selling	Closing Sales	Maintaining & Repeating Sales
Very High	★ ✚⊠	★	★	★	★	★
High	★❖✚⊠	★	★❖	★❖	★	★
Medium	★❖✚⊠	★	★❖	★❖ 📖	★❖	★❖ ⊠
Low	★❖✚⊠	★	★❖	★❖ 📖	★❖ 📖	★❖ ⊠📖

★ Account Managers
  > focus:
      ~ cold calling
      ~ prospecting
      ~ closing all deals

❖ Business/Channel Partner
    ~ distributor & dealer
    ~ source of contracted business

⊠ Mass Mailings

✚ Trade Shows

📖 Catalogs

Table 1

The Hybrid Organization

How can you overcome the lost-in-the-abyss challenge?

What can you do to ensure every lead is followed up promptly and effectively?

…Use Hybrid DM. With it every lead is efficiently followed up and put through a rigorous qualification process. The Hybrid Sales/Marketing Model depicted in Table 2 shows how the sales force concentrates on closing larger deals, building relationships and managing the leads. A Hybrid DM campaign, with the help of an updated contact database, generates double-digit response rates. A new *business development specialist*, under the guidance of the account manager, systematically qualifies and nurtures leads. Every logical tool is employed to achieve one goal—*generating sales*. A Web site allows customers to access company information and place orders day or night. A complete flow chart of this hybrid model is shown in Fig. 10.

By using Hybrid DM, I was able to achieve great results with a Swiss heavy machinery company—cutting a 24-week sales cycle in half. Moreover, I slashed travel expenses in half through effective use of mail, fax and e-mail—thereby minimizing expensive onsite meetings at the client's Montreal office.

Furthermore, other successful companies such as IBM and Hewlett Packard employ an integrated marketing approach utilizing direct marketing, as cited in *DM News* and *Hunter Business Direct*.

Hybrid Sales/Marketing Model

Sales Potential	Generating Leads	Prospecting	Qualifying Leads	Pre-selling	Closing Sales	Maintaining Relationships
Very High	★……⊕🎬……..🌐	★✪…⊕….🌐	★✪	⊕🎬… ….🌐	★	★…..⊕………..🌐
High	★✪❖⊕🎬✢…...🌐	★✪❖⊕….🌐	★✪…⊕	✪…⊕🎬……..🌐	★	★…..⊕………..🌐
Medium	✪❖⊕🎬✢◀📖🌐	✪❖⊕….🌐	✪❖⊕………🌐	✪❖⊕🎬……..🌐	★✪❖……….🌐	✪❖⊕🎬…◀….🌐
Low	✪…⊕🎬✢◀📖🌐	✪…⊕….🌐	✪…⊕………🌐	✪…⊕🎬…📖🌐	✪…⊕…📖🌐	✪…⊕……◀📖🌐

★ Account Managers
 > focus:
 ~ lead management
 ~ relationship building
 ~ market intelligence
 ~ closing larger deals

✪ Business Development Specialist
 ~ tele-sales
 ~ lead nurturing
 ~ tele-research
 ~ fulfillment

❖ Business/Channel Partner
 ~ distributor & dealer
 ~ source of contracted business

◀ Public Relations

📖 Catalogs

✢ Trade Shows

🎬 Seminars

⊕ Direct Marketing
 ~ direct response advertising
 ~ direct mail
 ~ fax

🌐 Internet
 ~ Web site
 ~ e-commerce
 ~ e-mail
 ~ newsgroups

Table 2

Fig. 10

Berger's Hybrid Sales & Marketing System™

INFORMATION DATABASE

- Customers
- Prospects
- Business Partners
- Account Managers
- Business Development Specialists
- General Management
- Employees
- Investors
- Shareholders
- Journalists
- Editors
- Organizations & Associations
- Industry Leaders
- Consultants

Direct Marketing Lists

Market Research

Marketing Programs Development

Marketing Planning

Strategic Business Planning

Research & Development

Reports

Statistics

Direct Marketing
- Direct Mail
- E-mail
- Fax
- Direct Response Print Adv.

Tele-coverage
- Lead Nurturing
- Inside Sales
- Research
- Follow-up

Internet
- WWW
- Usenet
- E-mail
- FTP

Advertising

Public Relations

Networking

Collateral Material

Seminars and Events

Trade Shows

Responses

M-I-N-T™ Qualification Process

Lead Tracking

Win / Loss Analysis

Lead Pipeline / Lead Nurturing / Marketing Support

Outside Inside Sales Process

Sold Accounts

Unqualified Leads

Disqualified / Lost Sales

16

© 1999 VAS

Hybrid Sales/Marketing Cost Model

The Hybrid Sales/Marketing Cost Model (Table 3) evaluates the potential of two sales teams. Some assumptions are made and your individual situation may differ, but you can create your own model *specifically* fitting your needs.

As you can see, team "A" operates with six account managers and uses conventional tactics. Team "B" operates with four account managers and uses Hybrid DM.

The benefits of using Hybrid DM are clear. It generates more sales by effectively using company resources. It increases the account manager's motivation and allows him to focus on closing larger deals. Team "B" has two fewer account managers but still outperforms team "A." Team "B" uses a business development specialist and Hybrid DM extensively to lower costs and boost efficiency. Furthermore, Hybrid DM improves overall customer service.

Team "B" generates more revenue at less cost per contact, thus lowering the cost of sales. Some of the account manager's duties are shifted to the business development specialist. That way, the account manager can focus on doing what he likes best—building relationships and closing *BIGGER* deals.

As previously mentioned, IBM added $10 billion to its bottom line within four years using Hybrid Direct Marketing.

Hybrid Sales/Marketing Cost Model

	TEAM A	TEAM B
	Covered by Account Managers	Account Managers + Business Development Specialist + Hybrid Direct Marketing
# Account Managers	6	4
# Business Development Specialists	0	1
# Buyer Organizations	**1,500**	**4,000**
# People Covered in each Buyer Organization	1	2
# of Personal Contacts Made (Meetings or Calls) per Year, Day	3/day x 4 days/week x 49 weeks x 6 Account Managers = **3,528/Year , 18/Day**	3,528 - 1,176 {-2 account managers} = 2,352 50 calls/day x 5 days/wk x 49 wks = 12,250 [2,352 + 12,250] = **14,602/Year, 59/Day**
# of Deals Based on 4 Personal Contacts Required to Close	3,528/4 = **882 Deals/Year**	14,602/4 = **3,650 Deals/Year**
# of Mailings, Faxes or E-mails per Week to Complement Sales Effort	-0-	(2 people x 4,000 organizations x 2/yr = 16,000)/49 weeks = **326/Week**
Cost per each E-mail	-0-	$0.01
Cost per each Fax	-0-	$0.05
Cost per each Mailing	$3.00	$0.50 (using co-op money)
Average Cost per Contact (Meeting, Call, Touches, etc.)	**$$$**	**$**
Cost of Business Development Specialists/Year	-0-	$$,$$$
Cost of Account Managers/Year	$$$,$$$	$$$,$$$
Rev. from Account Managers	$,$$$,$$$	$,$$$,$$$
Rev. from Business Development Specialists	-0-	$,$$$,$$$
Total Revenue	**$,$$$,$$$**	**$$,$$$,$$$**
Rev. per Customer Contact Hour	**$$$**	**$$,$$$**
Avg. Cost of a Sale, Overall	**$,$$$**	**$$**

Team B: A hybrid sales organization is greater than its individual components.

⬆ **Sales Revenue**
⬆ **Account Managers' Motivation**
⬆ **Account Managers' Focus on Higher Value Accounts**
⬆ **Customer Satisfaction**
⬆ **Overall Efficiency**

Table 3

Hybrid Telemarketing Script

The business development specialist's roles include lead nurturing, inside sales, tele-research, and follow-up. He uses a solution-selling script, which is an essential contributor of the tele-coverage campaign's success. The foundation for a hybrid telephone prospecting script is a *reference story*. The business development specialist does not use *all* of the script. He focuses on each particular situation and critical issues, taking less than 30 seconds to pitch his story. The reference-story format starts from the base of a *real* situation and a critical issue. For example, if you want to call CEOs, you should tell them how you've helped other CEOs solve a problem.

Here's an example of a hybrid script: "Hello, this is [*name*] with [*company*]. We've been working with [*industry*] for the past [*number of*] years. One of the chief concerns we're hearing from other [*job title*] is their frustration with [*critical issue*]. We have been able to help our customers deal with this issue, and I'd like an opportunity to share this solution with you."

Through my own pursuit of contacts, I've found this approach generates a "tell-me-more" response.

Within 30 seconds, a seller is indirectly asking a buyer, "Are *you* curious how the competition has already figured out how to solve the same problem *you* have?"

If you need to offer a callback or call-in phone number, use a unique toll-free number for each marketing campaign. This approach allows you to track response rates while automatically creating a follow-up telemarketing list.

Hybrid Sales Management Model

The following timeline offers a big bang for your buck, *FAST*. It shows the typical steps involved in setting up an effective Hybrid Sales Management strategy. Based on my experience, if you follow the steps outlined in Table 4, you will see tangible results *within 90 days.*

Activity	*Week 2*	*Week 4*	*Week 6*	*Week 8*	*Week 10*	*Week 12*
Identify Internal Resources & Define Roles	▬▬▬					
Present Hybrid Strategy to Sales & Marketing Departments	▬▬▬					
Define Information Strategy (What info do we need? How will we use it?)	▬▬▬	▬▬▬				
Break down Sales Process & Define Major Steps	▬▬▬	▬▬▬	▬▬▬	▬▬▬		
Define Account Status Coding (prospect, client, etc.)		▬▬▬	▬▬▬	▬▬▬		
Define Qualified Lead for DM Campaign			▬▬▬	▬▬▬	▬▬▬	
Define Account Coverage Matrix Strategy			▬▬▬	▬▬▬	▬▬▬	
Document Lead Management Process			▬▬▬	▬▬▬	▬▬▬	
Create Inbound & Outbound Lead-nurturing Scripts				▬▬▬	▬▬▬	▬▬▬
Develop Fulfillment Material				▬▬▬	▬▬▬	▬▬▬

Table 4 (1-2)

Activity	Week 2	Week 4	Week 6	Week 8	Week 10	Week 12
Develop Lead-tracking Reports & Templates			━━━	━━━	━━━	
Develop Sales Reports			━━━	━━━	━━━	
Set up 800 Numbers for Campaign Tracking			━━━	━━━		
Set up E-mail Lead Process Flow			━━━	━━━		
Coordinate & Provide Advanced ACT! Training			━━━	━━━	━━━	━━━
Input Information into Database			━━━	━━━	━━━	━━━
Set up Data Strategy			━━━	━━━	━━━	━━━
Develop Database Layout Structure & Create ACT! DB			━━━	━━━	━━━	━━━
Define Inbound Lead Process			━━━	━━━	━━━	━━━
Create ACT! Template Letters			━━━	━━━	━━━	━━━
Set up Database-sharing (Synchronizing) Strategy			━━━	━━━	━━━	━━━
Perform Faxing/E-mailing Training				━━━	━━━	━━━
Roll out Hybrid Strategy						━━━

Table 4 (2-2)

The following Hybrid Campaign Work Plan and Brief outlines key questions and steps involved in developing winning marketing campaigns. This plan helped me generate the following response rates:

♦ 45% for a capital equipment manufacturer (business to business)
Target: executive, management, engineering levels

♦ 32% for an automotive parts distributor (business to business and government)
Target: executive, management, installer levels

♦ 20% for a resort hotel (business to business and consumer)
Target: executive, management, subordinate levels, consumers

♦ 10% for a developer of outpatient hospitals (business to business)
Target: executive level

♦ 10% for a high-tech company (business to business)
Target: executive, management, engineering levels

Hybrid Campaign Work Plan

Campaign Name: _____

1) Campaign Background (Where we are and why):

  a) What is the definition of the market?
  b) How is the product/service positioned in the marketplace?
  c) Who uses the product/service?
  d) What are the characteristics of our customers?
      ▪ What are the most important considerations for them?
  e) Who are our competitors?
  f) Where does our company rank?
  g) How is the product/service growing?
  h) What are the unusual defining characteristics of the product/service group?

2) Marketing Objectives:

  a) Revenue
  b) Inquiries
      ▪ Building a database
      ▪ Fostering relationships
      ▪ Driving traffic
  c) Qualified leads
  d) Awareness versus sales

3) Target Audience:

  a) To whom should we be speaking?
      ▪ What is the size of the audience?
  b) What are the demographics and psychographics for each segment?
  c) How do they perceive themselves or their job?
  d) What is important to them?
  e) Who are the decision makers and influencers?
  f) What is the most important selling point?

4) Target Audience Perceptions:

  a) What are the key issues faced by each person?
  b) How does the target audience perceive our company? Why?
  c) How do we want the target audience to perceive our company?
  d) What is the single most important benefit to the customer?
  e) What is the single biggest advantage our company offers?
  f) Why should the target audience believe this?
  g) What is our company's biggest disadvantage?
  h) What would get the target audience to buy from our company?

5) Offer (What does the customer need?):

    a) What is the offer?
    b) How does this offer compare with that of the competition?
    c) What is the single most important benefit of the product/service?
    d) How is the target audience most likely to respond to this offer?
    e) How can the offer be tested (validated)?

6) Key Message (What do we want the customer to believe?):

    a) What is the most compelling message of the offer?
    b) What do we want the customer to believe?
    c) Why should the customer believe this?

7) Response:

    a) What is the best way for the customer to respond?
    b) How can we make it easy for the customer to respond?

8) Tone and Manner:

    a) How should we be talking to the target audience?

9) Marketing Communication Media Used:

    a) Direct mail
    b) Telemarketing (proactive, reactive, inside sales)
    c) Direct-response print
    d) Internet
    e) Image advertising
    f) Public relations
    g) Trade shows
    h) Teleconferences
    i) Conferences
    j) Seminars/presentations

10) Campaign Time Frame:

    a) When will this campaign commence and end?

11) Budget:

    a) What is the estimated budget for this campaign?
    b) How many hits (i.e., touches or contacts) will we shoot for?

12) Database and List Management:

    a) What is the source of the data?
- Internal list
- External list

    b) Analytic segment used:
- Determine the most appropriate technique based on population size, campaign objectives, etc.

    c) Quantify population(s)
    d) Determine buyer profiles to validate target audience

13) Lead management:

    a) Who will be responsible for following up with the lead?
    b) What are the steps?
- Set time guidelines

14) Fulfillment materials:

    a) What will be sent to respondents?
    b) Who should accomplish this task?
    c) When should it be sent?
- Set time guidelines

15) Measurement and results analysis:

    a) Response rates from:
- Non-qualified leads
  - Internet
  - Phone calls
  - Mailed-in BRCs
  - Faxes
  - On-site visits
- Qualified leads
  - Internet
  - Phone calls
  - Mailed-in BRCs
  - Faxes
  - On-site visits
- Closed sales

    b) Revenue
    c) Compare current campaign results with past results

Hybrid DM Campaign Brief

Sales Organization: Educational Sales

Industry: K-12 Educational Institution

Regional Area: SE Michigan

Products/Services: All

Campaign Name: K-12 Bid List Campaign

Key Contributors:

Business Development Director:	Dave
Business Development Specialist:	Kelly
Internal Contributors:	John, Steve
Copywriter:	Lisa
Printer:	Acme

Campaign Overview

- Develop multi-tactic campaign to clean up newly created database; request we be added to bid list; drive traffic to our web site and build an online database by offering a chance to win [*an appropriate offer*]; generate revenue from the sales of products and services.

The three tactics of this campaign are:

- database scrub through tele-research
- bid request letter with response mechanism (fax-back or web-based form)
- follow-up telephone call to confirm we were added to bid list

Launch Date: 3/99   Completion Date: 5/99

Target Audience

- Purchasing Managers, Technical Coordinators, other influencers as needed

Media Used

- Tele-research to clean up database
- Direct mail, fax and e-mail to deliver our message
- Web site to provide additional information about us and build online database
- Tele-coverage to ensure follow-up

David A. Berger

Products/Services Featured in Campaign

- All products and services offered by us including computers, servers, LAN/WAN, training and support

Marketing Challenges

In order for us to be considered for a project, we must be put on prospects' bid lists.

We will

- identify the appropriate buying influencers (using tele-research)
- build awareness (by making four touches via telephone, mail, fax and Internet)
- create credibility (by delivering a professional message and driving prospects to our Web site, where they will learn about us in greater depth)
- ensure we are put on their bid lists (by following up with a telephone call)

Marketing Strategy

Objectives:

➢ Touches:	3,000	➢ Responses:	300 (unqualified bids)
➢ Opportunities:	150	➢ Closes:	20

Revenue: $5,000,000 (based on average sale=$250K)
Profit: $ 750,000 (based on average 15% margin on products/services)

Budget:

±$900

- mailer inserts (response piece)	$250
- postage (600 letters x 33¢)	198
- fax (400 one-page faxes at 4¢ each to send)	16
- e-mail (300 e-mail messages)	-0-
- telephone (1,700 calls at avg. 3 minutes each x 8.5¢/min.)	433
- envelopes, stationery and business cards (pre-existing)	-0-

Results:

- # Establishments responding against a goal of X
- # Opportunities passed to sales team
- Attributable revenue for the campaign to date

David A. Berger

Key Solution Areas

You may find it helpful to break down the various sales and marketing components into solution areas. By doing so, you can focus on the major issues of each group and tackle the challenges more effectively. Select the key solution areas that will benefit you the most:

❑ *Hybrid Direct Marketing and Databases*

The main objectives of this key solution area are to build a marketing database, generate leads and enhance existing direct marketing campaigns. We will obtain co-op money whenever possible to help fund your marketing initiatives. Every lead will be qualified using the M-I-N-T™ process. The primary communication media include direct mail, Internet, fax, direct response print advertising and tele-coverage.

❑ *Sales Force Automation*

Would you like to enhance your sales force's performance? Are you completely satisfied with your existing lead-tracking system and follow-up practices? Do you have high employee turnover, creating a debilitating "reinventing the wheel" scenario? If so, Hybrid DM will help. A top priority is to create a marketing database. We'll solve your sales-related HR problems by allowing any new recruit to pick up quickly where the previous salesperson left off. Together we'll standardize equipment, reports, letters and proposals, making your sales force more productive.

❑ *Hybrid Account Coverage*

To complement the sales force, a business development specialist should be employed. He or she will focus on lead nurturing, inside sales, opportunity development and follow-up. When used correctly, Hybrid DM offers the most cost-effective way of nurturing new leads and maintaining relationships with existing accounts. Furthermore, business and channel partners should be explored as alternative forms of distribution. If you have a

drawer full of leads from trade shows, marketing campaigns, etc., and you want to convert them into sales *FAST* . . . Hybrid DM is for you.

❑ *Advertising*

You can boost advertising effectiveness by creating response-driving headlines and ad copy designed to collect customer information. Generate pre-qualified leads and build databases quickly and efficiently with the information collected. Find an offer that will make people respond and add their names to the marketing database. You will drive traffic to your Web site.

❑ *Public Relations*

Your own PR contact database will allow you to: send press releases at precisely the right time with exactly the right messages; communicate your company's "vision" effectively by publishing credibility-building articles; reach key industry leaders (buyers); keep investors, shareholders, associations and organizations abreast of your success with just the push of a button. You'll *minimize* postage and fax charges by using e-mail whenever possible. Here's a good reason why it's time to develop a comprehensive e-mail or fax media list: With accurate information from the database, you can achieve results similar to those of a colleague of mine. He published a brief announcement which, because it was targeted to the right market, generated over a thousand responses in the first week alone. To carry out his Hybrid DM objectives, he asked me to help him construct a database and fulfill the inquiries.

❑ *Fulfillment Material*

The most critical aspects of this key solution area are to sharpen your sales letters, brochures and marketing fulfillment material. Use clear and concise copy. Lower your overall printing costs by creating custom print-on-demand documents. I've found most clients have adequate collateral material, which simply needs tweaking or repackaging

to be fully effective. We'll create value by combining brochures, case studies and news clippings into reports. Your Web site will be updated to offer print-on-demand documents such as brochures, price sheets and news articles.

❑ *Networking and Channel Partners*

This is perhaps the fastest growing area of relationship selling. Recently I've seen newspapers, such as *The Wall Street Journal,* publish articles attesting to the importance of networking. You should quickly identify specific associations, organizations and channel partners with which you should build rapport. Isn't it time you took more advantage of the power of networking? I've found channel partners (e.g., vendors, suppliers, business partners) are willing to help fund marketing campaigns. Don't overlook this co-op money, because it can amount to thousands of dollars.

❑ *Seminars*

When planning to host an event such as a seminar, ask yourself these questions: Who will coordinate and execute the event? What method am I using to qualify the attendees? What is my follow-up plan? Should I host a virtual seminar via the Internet? All these items will be covered, and you'll get results.

❑ *Trade Shows*

Prior to a trade show, send announcements inviting prospects to your booth. If the prospects cannot attend the show but would like information, give them a way to respond. Immediately start collecting M-I-N-T™ criteria. Before the show, identify those with whom you should spend the most time. During the show, collect information for your marketing database. After the show, implement a follow-up program and stick to it.

David A. Berger

❑ *Internet Marketing*

Are you interested in enhancing your existing Web site or building a new one? Does its text lack a certain *je ne sais quoi*? I will help you choose a site strategist and project manager to work with your existing IT personnel, advertising agency and other in-house personnel. If you prefer, I will perform these tasks for you. If designed correctly, your site will generate leads right away and improve overall customer satisfaction.

If your Web site isn't generating qualified leads or booking sales daily, something must be changed. Simply put: Your Web site should be continually generating qualified leads or booking sales. I've developed a twenty-point site strategy to produce qualified leads via fax or e-mail *every day*.

Successful Internet marketers are boasting about *million-dollar* days (Dell Computers sold more than $6 million worth of computers in a single day). Don't you deserve the same opportunity?

If you have questions or need help in any of the Key Solution Areas mentioned, please use the *Need More Help* form on the next page or call 800-862-4242. In the Ann Arbor, Mich. area call 734-741-8913.

Need More Help?

☞ *Please Call 734-741-8913, Fax, 741-4839 or Visit a2.com* ☜

To: David A. Berger   Date: _____

From: _____

Title: _____

Company: _____

Address: _____

Address: _____

City, State, Zip _____, _____, _____

☑ YES, I'd like your help!

(Please Indicate Your Key Solution Areas)

❑ Hybrid Direct Marketing & Databases	❑ Fulfillment Material
❑ Sales Force Automation	❑ Networking & Channel Partners
❑ Hybrid Account Coverage	❑ Seminars
❑ Advertising	❑ Trade Shows
❑ Public Relations	❑ Internet Marketing

Please Share the Following Information:

Type of Business: _____

Solution Offered: _____

No. of Employees: _____ Est. Yearly Sales: _____

Berger's Guide to

Hybrid Direct Marketing

- A must for all sales and marketing professionals

- Filled with ideas and techniques, providing even the most experienced marketer with new insights

- Helps you take a fresh look at your sales and marketing techniques

- Contains bold new approaches to propel your company into the new millennium with great success—it's elegant, simple and powerful

- Packed with useful checklists and proven strategies to quickly boost your bottom line

David A. Berger

a2.com