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of massachusetts, inc.
Inventive Solutions for On-Demand Communications

THE
**GOODWAY
PROFIT**

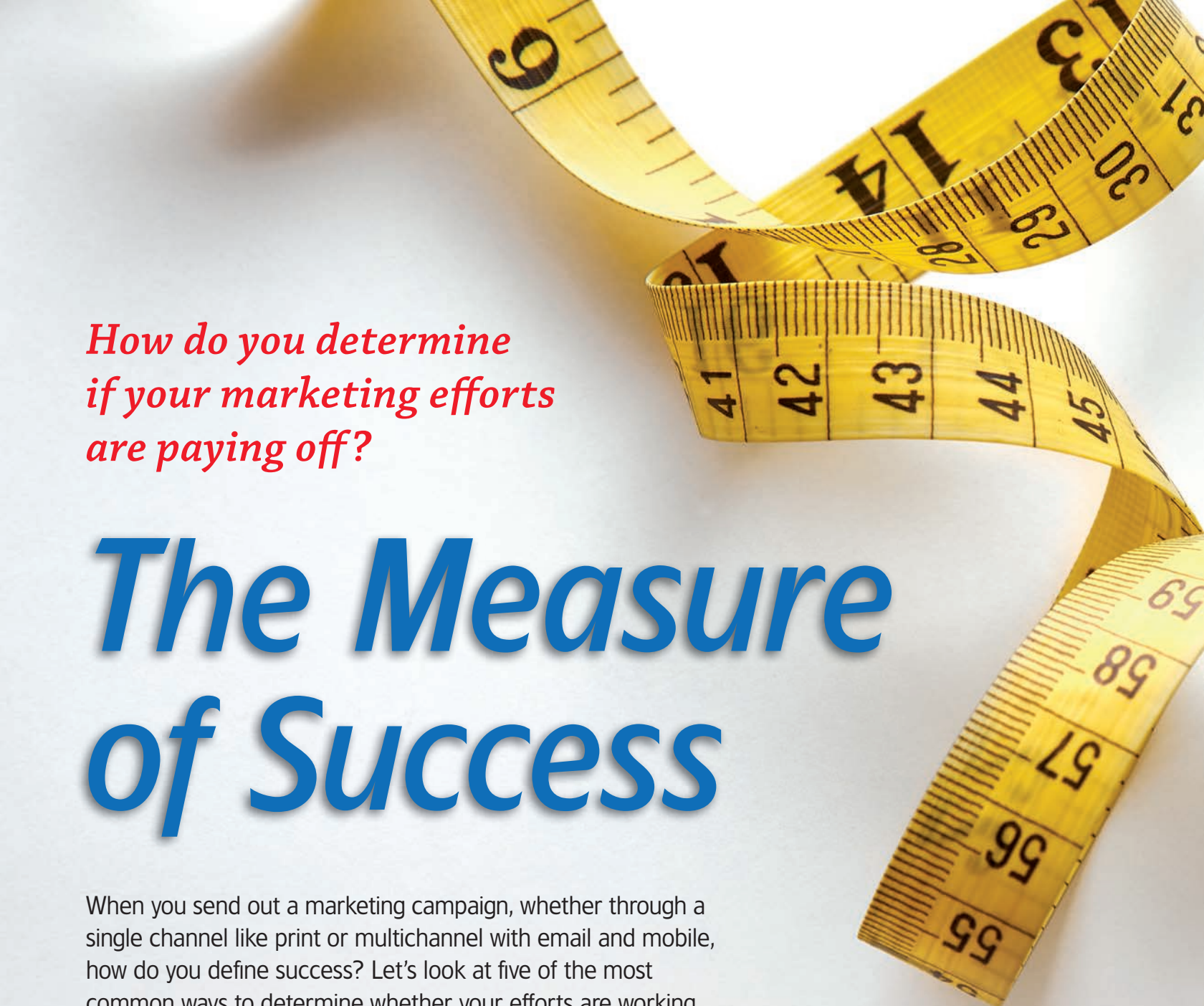
The Measure Of Success

**Are Your Marketing
Efforts Paying Off?**

**5 Ways to Get Data
From Customers**

**How to Be Prepared
When Opportunity
Strikes**

- **Consumers Expect Companies to Anticipate Needs Before Direct Contact**
- **5% of Retail Customers Account for More Than 1/3 of Revenue**
- **Consumers Provide Information to a Few Trusted Companies**



*How do you determine
if your marketing efforts
are paying off?*

The Measure of Success

When you send out a marketing campaign, whether through a single channel like print or multichannel with email and mobile, how do you define success? Let's look at five of the most common ways to determine whether your efforts are working.

1. RESPONSES

One of the top-line ways to measure success is response rate. How many phone calls, clicks, or logins did the campaign generate? How many people responded to the piece by taking some kind of action? If your marketing goal is brand awareness, response rate is a helpful measure.



2. CONVERSIONS

Just because someone makes a phone call or clicks through a link doesn't mean they will do what you want them to do, such as sign up for an event or make a purchase. If you want to measure the effectiveness of your message, conversion rate is a more helpful measure of success.



3. DOLLARS PER SALE

If you have a high volume of sales but aren't generating enough revenue, maybe it's dollars per sale you want to track. If it is costing you \$10 to acquire each paying customer and your order sizes are only \$10 each, it doesn't matter how many people respond to the campaign. You still aren't making money.





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4. CUSTOMER RETENTION




For many companies, profitability doesn't come in a single sale. It comes in paid subscriptions, repeat sales, or other forms of recurring revenue. Athletic clubs and automotive clubs are good examples. It might be expensive to convert a customer the first time, but over time, each customer will generate revenue month after month. Here, "success" is dependent on your ability to retain the customers you've gained.

5. ROI



Maybe there is pressure on the marketing budget and you need to determine which channels and campaigns are most profitable. For this, knowing order sizes and revenue generated is important, but to assess your overall profitability, you need to understand the total cost structure of your efforts. That means calculating ROI.

Which form of measurement is right for you? It depends on what you are trying to accomplish. Are you trying to increase brand awareness? Increase basket sizes? Ensure customer retention? Before you can measure for success, you need to clearly define your goals. Then you can align your measurement tools with those goals to get the insight you need.



OPPORTUNITY KNOCKS

Know your competitors' weaknesses to seize opportunities when they arise

Has there been negative news coverage about one of your competitors lately? How about a sudden surge in complaints about their customer service on social media? Or a higher than usual volume of negative online reviews? If so, are you ready to pounce?

It's important to know your competitors' strengths, but it's equally important to know their weaknesses. Then you can have direct mail, email, and mobile strategies at the ready to take advantage of windows of opportunity as they arise.

Take the example of Amazon. The closure of Toys R Us has left a hole in the competitive landscape, and Amazon isn't about to let the opportunity pass by. Along with the closure of the beloved toy retailer is the disappearance of its Big Book, which is widely considered to be the "bible" of toy products for kids and parents alike. As toy lovers mourn their disappearance, Amazon is stepping in and filling that void. According to reports, Amazon is preparing to snap up former Toys R Us customers by replacing the Big Book with its own toy catalog. The catalog will be mailed to millions of U.S. consumers in advance of the holiday shopping season and distributed at Whole Foods locations, a retail chain Amazon purchased last year.

Not every marketer will be given such a clear opportunity to snatch up a competitor's customers, but it does exemplify how to capitalize on key moments when they arise.

When your competitors have a weak moment, here are a few things to keep in mind:

- **SPEED IS OF THE ESSENCE.** These moments are often brief, so be prepared to move as soon as possible.
- **DO YOUR RESEARCH . . . OVER AND OVER.** The reasons customers become dissatisfied with their favorite suppliers or brands can change quickly. So keep your ear to the ground.
- **HAVE A PLAN AT THE READY.** Although the details of your strategy will depend on the situation, have at least a basic structure ready for when that door opens.

Prepare a Competitors' Disaster Plan—and do it now. You never know when a competitor's disaster will arise, and you don't want to be caught unprepared.

Relating to Consumers

51% of consumers expect that, by 2020, companies will anticipate their needs and provide them relevant and personalized suggestions before the first direct contact.



Source: Salesforce

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Customer Relationships Are Built On Trust

80% of consumers are willing to provide their personal information only to a limited number of companies they trust.

Source: Columbia Business School



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Get to Know Your Customers

*The best source for great customer data
is your customers themselves*

The better your database, the more relevant your messaging and the better your results. But what is the best way to get that data? You can purchase a mailing list and third-party data, but it's always more effective if people are willing to provide that data themselves. Here are five ideas for getting your target audience to share more information about themselves.



Survey them . . . with benefits.

People are more willing to share personal details when they think it's going to benefit them. If you're a clothier, for example, you might woo them with the promise of customized style suggestions. "Take this quiz and find out more about your personal style!" Once you know what types of clothes they like, offer to



keep the suggestions coming. "Want more like this? Sign up for new introductions you'll love!"

Make the most of address updates.

When you ask people to update their contact information, it is a good time to ask for other demographic or psychographic information, too. "Tell us a little more about yourself so we can personalize your experience and better serve you."



Tap your pop-up registration forms.

What better time to ask people to provide more information than when they are already on your website looking for something? "Help us get to know you, so we can give you exactly what you need!"



Maximize post-sales

follow-up. People love to provide feedback, whether positive or negative. Follow up the sale with a short questionnaire. "Thanks for shopping with us. How did we do?" Then throw in a few demographic or psychographic questions while you're at it.



Understand the mindsets.

Understanding how consumers think about sharing data helps you craft your messaging. Different studies have identified different categories of consumer attitudes, but regardless of which you follow, just understanding that not everyone feels the same way about providing data helps you be sensitive to different personalities and motivators when you ask.



Learning more about your customers and prospects is an achievable goal—and it doesn't have to be difficult. Sometimes it can be as easy as, well, just asking.

Welcome to the latest issue of *The Goodway Profit*. This newsletter is designed to provide you with information that will keep your 1:1 print campaigns cutting-edge and profitable.

Learn more about your target audience by getting customer data directly from your customers.



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