



Do You Suffer from Marketing Insanity?

By Eric Keiles

The definition of insanity is the expectation of different results from doing the same thing over and over again. So what is “marketing insanity”? Marketing insanity occurs when a business owner, entrepreneur, or marketer keeps looking for a better result on the same marketing tactics that they keep trying over and over again. Over the years, many clients have come to us with this malady – and no idea how to cure it.

An example of marketing insanity is a client of ours who for years, placed small classified ads in newspapers hoping to sell their pre-owned luxury cars that they offered for sales at their dealership. When we first engaged with them we asked, “how is the response to those ads?”. When they replied “not very good”, we asked them why they keep doing them. The answer was very simply “because our competitors are” and we don’t know what else to do. The expense was over \$5000 per month with virtually no return on their investment. We suggested to cancel the campaign immediately which they did.

The answer to curing marketing insanity, of course, is data - lots of data. When we guide a client on the marketing mix of programs that they can do to generate leads and sales, we always include the most vital ingredient – testing and tracking. Heck, let's find out what's working and what's not. Sometimes our clients have sophisticated databases where they can tag new prospects with a code on how they got to the company. Other times, it's as simple as a clipboard and a pen with a string, making talley marks every time a new lead comes in and what the source is. The secret to this tracking and testing is understand that if you're going to spend a certain amount of money doing multiple marketing activities, which one *actually is producing results*.

Here's my suggestion to you. For the next week or two, just review how people are introduced to your company. If you have an active business and you are always getting new opportunities to introduce your services or products to clients, then you should have enough data to realize what marketing tactics are working, and what aren't. Too many times, the business owner will say, "I feel that we get a good response from this yellow pages ad." However, when we start to track it, actually the opposite is true. It seems that business owners, entrepreneurs, and small marketers cling to the latest information that they have (the last call), not the one that when tracked over time produces the most leads.

Once these sources have been quantified as to what they bring produce, it's time to make some hard decisions. Sometimes, even a favorite marketing technique, such as a billboard or a radio ad, makes the owner feel good because of ego or pride, but yet when we track it, does not provide the results that it should based on the amount of money that we're spending on that tactic. Sometimes the most boring and affordable techniques provide the most results.

Another client was executing marketing projects with a very poor return on investment. We decided to try a very “guerilla marketing” oriented Google Ad Words pay-per-click campaign. We set the budget at \$50 per week. At \$50 per week, qualified prospects were finding our client's website at the rate of two or three per day leading to one sale per day. Certainly not earth-shattering results, but for the \$50 investment, a fantastic return on marketing investment. Once we gauged that this was actually bringing in a steady flow of leads for a reasonable cost, we decided to ramp up the program. Now, the client has cut other marketing expenses in favor of a budget of \$1000 per month for the pay-per-click program and they have all of the opportunities they need to reach their sales goals. Not only is the customer generating more and more leads, but their acquisition cost per lead has been driven way down. No, a Google Ad Words program isn't as sexy as a billboard with the name of the company emblazoned on the side of the highway, but the program is generating profit which usually cures most “marketing insanity”.

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