

HOW DO YOU ASSESS THE EFFECTIVENESS OF MARKETING?



BY ALAN M. GROSS

Peter Drucker, one of the most influential management consultants and writers of the past several decades, wrote: *“Efficiency is doing things right; effectiveness is doing the right things.”*

That’s certainly true when it comes to marketing. A great deal of work happens in the name of marketing, but only that which is aligned with strategic business goals has the potential to produce truly meaningful results. Otherwise, it’s easy to throw money at social media, advertising, public relations, industry events, corporate websites, and communication programs, but does it actually produce a return on investment (ROI)? If purposes are unclear or actions uncoordinated, marketing activities can easily miss the mark. Does it matter how many people attend your webinar if there is no engine to effectively continue the engagement afterwards? Is the effort to design a new website useful if the content doesn’t convey the quality of your relationships?

Retirement service providers face a number of challenges in communicating their value proposition in a largely commoditized, mature market niche.

Planning and executing a sustained, integrated marketing program of activities that supports partner and customer relationships as well as new sales is certainly among them. New technologies and platforms bring new opportunities which, in turn, bring new questions, choices, and issues to understand and address. The intent of this article is to share thoughts on how a more strategic approach to marketing may help you take advantage of more effective approaches to help your business grow.

A simple goal of marketing is to help drive new sales. Implicit in this desired outcome is to increase top-line revenue. To this end, many companies focus on lead generation activities through events, email marketing, partner programs, and the like. Many describe this as goal number one. Given the potential for customer attrition due to ordinary turnover or economic distress, it may be appropriate to rethink this as possibly goal number two. After all, if new revenue comes in the front door while existing revenue leaks out the back, the net result of efforts to promote new sales can be expensive and unproductive. A strategic approach incorporates elements of a marketing plan that enhances dialogue with current customers as well as communicates value to new ones.

If you subscribe to the axiom that business equals relationships, then it stands to reason that your marketing efforts should underscore the benefits of a relationship with your company. Ironically, many retirement service providers fail to adequately express this in their branding or communications, whether on their websites, social media platforms, collateral, or events. Instead, they all too often present a great deal of information on commodity services and other deliverables that look much like those of competitors. It's not that these details don't matter, they do. However, they don't necessarily

help others understand why they should do business with you. Do you make clear how you help drive better outcomes? Do you help prospects understand what they should do and why they should do it with you? If your marketing program and content convey answers to these questions, you're on the right track. If not, you may have work to do.

As you consider your web presence, collateral, advertising, public relations, and communications programs, how would you answer the following questions? (You might think of this as something of a self-assessment.)

ARE YOU MAKING CLEAR THE BENEFITS OF A RELATIONSHIP WITH YOUR COMPANY?

It's one thing to help prospects understand why they should undertake a new retirement savings plan. It's another to convince them why they should select your company as a partner in the process. In other words, "Why do it?" and "Why do it with us?" Explain what you bring to your relationships and how you help create good outcomes through your investment in and commitment to plan consulting, design, monitoring, reporting, education, technology, participant experience, and more.

ARE YOU COMMUNICATING YOUR DIFFERENTIATORS? (WHAT SETS YOU APART?)

Does this sound familiar? "We've been in business more than 20 years providing fast, timely, and accurate service." Many hundreds of third-party administrators claim this. For the most part these statements are true, but they don't necessarily help you stand apart from others in the eyes of a prospect. If you excel at plan design and consulting, consider a series of case studies or whitepapers that educate your audience about how you've helped others who faced similar situations and had similar concerns. The peer-to-peer

testimonial value of these pieces can be substantial if authored well. The key is to generate content of distinguished quality and make it easy for others to access and share it.

ARE YOU ENCOURAGING MORE INTERESTING COMMUNICATION BETWEEN YOU AND YOUR CUSTOMERS?

How much do your customers really know about your organization and how you work to help them meet their goals? How much do you know about them in return? The reality is that much of the work you do is "behind the curtain." Customers receive data requests and reports and forms to sign and invoices to pay, but they generally know little about the professional effort it takes to support them. The more they know and appreciate you as an organization of people dedicated to their needs, the more likely they may be to reflect positively on their relationship with you.

The corollary to this is that they may be less likely to view your service as merely a commodity to be easily interchanged with that of another firm. The goal of a communications program should be more than to send regulatory and administrative updates. It should enhance dialogue. Customized newsletters, polls, surveys, and live webinars can help reinforce the quality of your relationship and support the work of referring partners, too.

ARE YOU LEARNING MORE ABOUT YOUR AUDIENCE (PRIORITIES, NEEDS, PREFERENCES, CONCERNS)?

How much do you know about your customers' needs and priorities? We tend to invest time and energy in the front end of relationships as we get to know the owners and leaders of companies, but what do we know about them years downstream? Unless you spend time with every customer on a regular basis (outside of the administrative correspondence

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loop), it can be hard to stay up-to-date, especially as management teams turn over at customer sites. The team that once hired you may no longer even be in place. Needs may have evolved as well. It can be risky to continue to do the cyclical work per your service agreement and assume that good performance against this is equivalent to a good relationship.

The opportunity here is to exploit the potential of social networking platforms, polls, surveys, webinars, and other events continuously in order to learn more about your customers' needs. Even if you think you have your finger on the pulse of their needs, it may be valuable to reach out, ask for feedback, and validate your assumptions.

ARE YOU ENHANCING YOUR COMPANY'S INDUSTRY STATURE?

The vast majority of retirement service providers self-identify as technical experts, but few manage to create significant brand value or recognition as industry leaders. Performing solid, professional work may earn you the respect of local

peers, but industry presence and presumed stature are reflected also as you publicly share expertise. You can express your voice in many ways that demonstrate leadership. These include authoring whitepapers, articles, or blogs on industry topics and hosting or leading educational events. Sourcing, writing, and publishing thought-leadership-quality content is a real challenge to organizations large and small. That said, the opportunity to differentiate can be terrific if you do it well.

The answers to these questions, while qualitative and sometimes anecdotal, may be more tangible and perhaps more meaningful than arguing how best to crunch the numbers that underlie the quantitative metrics of typical marketing ROI. To a great extent, they reflect how well your marketing efforts align with the strategic interests of your business. It's not that you would be well advised to ignore ROI. Quite the contrary; metrics matter, provided you're measuring the right things.

A strategic approach to marketing

asks where activities may have the most impact, especially when considering the realities of limited time and budgets. Each of the suggestions presented here involves some expertise in authoring, publishing, and distributing content as well as in hosting or managing platforms that help maintain the dialogue you seek. If the questions posed here challenge your readiness, you may benefit by discussing these opportunities with your leadership team.

If you're comfortable with your answers here, the next logical step may be to begin prioritizing the best use of your resources to establish a more integrated program to produce sustained outcomes over time. Whatever your current assessment, perhaps the most important step is to commit to taking action. The good news is there have never been better or more cost-effective tools to support what you may need to do next. Now is a great time to get started.**PC**



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