

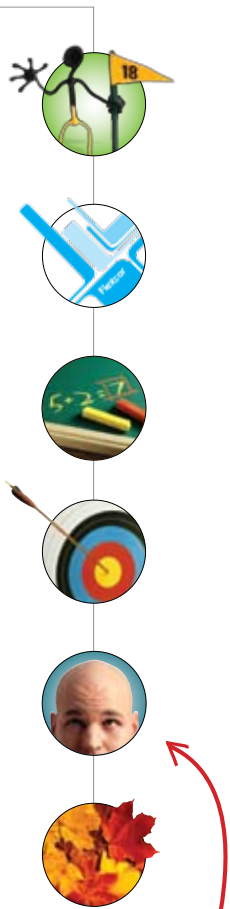
# DIRECT

www.hackergroup.com  
425.454.8556

A quarterly marketing publication from Hacker Group

**IN THIS ISSUE:**

- 1 Launching a product on the small screen
- 3 Flexcar finds its voice
- 4 Integrating brand and sales
- 6 Secrets of database marketing
- 6 What marketers are thinking
- 7 Your fall to-do list

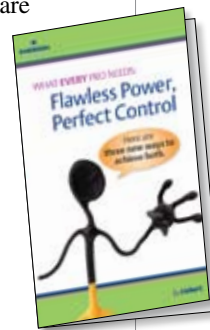


*Read the minds of marketers*

## How to fit an entire product launch on a small screen

### b2b | Keep them wanting more

The high-end systems that Emerson Network Power/Liebert manufactures to protect sensitive electronics are complex and technical. Keeping a sales force up to date on all the specs and new sales techniques would be hard enough — but Liebert depends on a network of value-added resellers (VARs). These VARs don't sit waiting for communication from Liebert. They have plenty of distractions to keep them from focusing on one particular brand.



If there's one thing that always works, it's making your target market feel special and acknowledging their value to you. And these VARs are extremely important to Liebert, which decided to appeal to their sense of fun — an often overlooked strategy in business-to-business marketing — with the underlying implication that Liebert had gone to a lot of trouble to make something very entertaining, just for them.

In fact, Liebert had already created a vast amount of information for VARs that included sell sheets, brochures, video Webinars, white papers and more. The real challenge was getting the VARs engaged with this important material. These collateral materials were available online, so Liebert pulled everything together into a fun microsite

### Getting attention

Whether you have an internal sales team or depend on VARs or brokers, this story has value for you. Liebert's goal was to educate these VARs and provide the information they needed to close sales.

*Continued on page 3...*

### Keep sales in mind when thinking about brand

A hard-working brand must be developed from the inside out and reflect the reality of your company's personality. As a part of that, your brand should also reflect — and improve — how your company sells. Find out how a major teachers' union and a 100-year-old insurance company teamed up to create a brand that sells hard from the ground up. (See page 4.)



## A PERSONAL NOTE FROM

### ► THE PRESIDENT



**SPYRO KOURTIS**, *President*  
HACKER GROUP

Dear Colleague,

How different would the world be if everyone immediately understood and remembered what you wanted to communicate?

I think we marketers would be out of a job.

Human beings just aren't built that way. We don't receive knowledge effortlessly. We seem to need repetition in order to decide it's worth the effort to pay attention to a message. Something built into us tells us not to bother remembering things we hear only once. That's why marketers create campaigns. In many cases, it takes repetition to make a real impact.

In this newsletter, we're looking at a few good campaigns – including one that goes back again and again, in order to connect with the target audience.

Emerson Network Power/Liebert has an unusual target – not end users, but value-added resellers (VARs). These VARs truly want to know about the new features and benefits of Liebert products so they can sell those products more effectively. But in a busy day with so many distractions, as with any sales force, it takes a standout campaign to make an impact on these key players. Liebert's VAR campaign is featured on page 1, and it has clear applications to any company with a sales force.

We're also giving you a peek inside the heads of your fellow direct marketers in this issue. We surveyed you and your peers and found out where budgets are being deployed, plus which new media marketers plan to plunge into and which ones they're waiting to address.

I think you can see from all the campaigns and survey results featured in this issue of *High Performance Direct* that repetition is good. Repetition is good. Repetition is good.

Here's to your success,

A handwritten signature in blue ink that reads "Spyro Kourtis".

Spyro Kourtis

*“In many cases,  
it takes repetition  
to make a  
real impact.”*

## Welcome to the Pro Shop!

Play the game at [hackergroup.com/proshop](http://hackergroup.com/proshop)



A golf clip clicks through to an instructional video.

A personalized leader board draws the eye.

An entire library of product information and advice fit on the bookshelf.

The tournament poster leads to a flash-based golf game.

Every element is interactive. The phone even rings!

Continued from page 1...

called the Emerson/Liebert Golf Pro Shop.

This online Pro Shop has everything you'd expect — with a few extra bells and whistles. The TV in the left-hand corner runs a Webinar when you click on it. The golf magazines become product brochures and white papers. The phone on the counter rings through to support staff when you click it. And

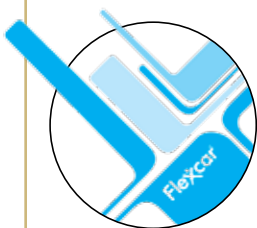
Liebert even created a fun video golf game that encourages repeat visits to the microsite for a little recreation.

### Making it pay

This is the beginning of a long-running campaign — but early results are very promising, with high percentages of VARs visiting the site after receiving the initial mailings. What's more, the VARs

have expressed delight at the fun design of the site and the entertaining way it presents so much information. Liebert found a way to get all the attention they want from this important audience by appealing to the human, fun side of their business partners.

The wisdom of the strategy applies to any sales force. ▲



## b2b Finding an elusive target

Some marketing challenges are just more complex than others. Consider Flexcar's dilemma.

When someone says "car-sharing," many of us think "ride-sharing."

But Flexcar members have cars available when they need them — without the hassle of owning the cars. They never need to see the other members, much less share a ride with them. People love the idea once they understand it, but it takes a little

bit of explanation.

Flexcar's marketing team realized that until the concept of car-sharing became more recognizable, direct marketing would be an important tool for them. In an email or direct mail package, you have more room to explain the idea and how it works. You don't have that kind of luxury in a 30-second commercial.

Another reason direct marketing made sense was Flexcar's tightly targeted audience. They were limited by

geography — because a Flexcar had to be located within walking distance. Any non-addressable marketing medium would have too much waste.

Flexcar's perfect target audience lives in a highly populated urban area where owning a car is difficult. Parking is expensive and hard to find. And if you live in an urban core, you probably rarely need a car. When you do, you need to find a friend who will lend you one or give you a ride. So, not owning a car has its own problems.

Continued on page 8...



## You've never seen this before!

Check out the  
Hacker Group Web site!

Totally rethought. Completely revamped. Now more fun and informative than ever! And packed with the information you need today:

- Our new blog!
- New case studies
- Added resources and white papers
- *High Performance Direct* archives
- News, events and announcements
- Expanded capabilities
- Job postings and more!

Check it out today at  
[www.hackergroup.com](http://www.hackergroup.com)

# [ClipTips]

Clip these tips from  
*High Performance Direct!*

## How to create an effective campaign.

- 1 Be consistent.** Make sure all your elements, from your DM package to your Web site, have the same message, look and tone. It's a major advantage to have the same marketing team working on all your materials.
- 2 Stay top of mind.** This is the age of the short attention span. You'll want to get in front of your prospects as frequently as possible. These days, a month between contacts is an eternity.
- 3 Deliver on your promise.** Campaigns create expectations. Think through the back-end of your processes. Is your call center prepared for increased call volumes? Do you have the inventory you need?

# Building a brand for response — a more perfect union.



**b2c** | On September 1, 2007, after 40 years with the same life and disability insurance provider, one of the country's largest teachers' unions began offering members coverage through a new insurer, a leader in the field with over 100 years of experience.

It was an exciting shift to say the least. The new agreement would provide educators with many enhancements never offered to them before.

The new coverage demanded a strong, new image and a dramatic way to announce the enhanced coverage.

## The Challenge

The challenge for the new marketing team was to develop the brand for a major conference just before the new school year. They needed to create the elements for the launch and make its debut within eight weeks before the official launch of the partnership at the conference.

To exemplify the new coverage, the insurer had to develop a brand for the partnership that combined their own brand's stability, service and integrity with the understanding and commitment to education and to educators embodied in the union.

The brand platform the team developed embraced the key attributes of both the union and the new insurance company that,

in the words of the brand promise, provides "effective, honest, straightforward and innovative coverage solutions that educators can depend on." For its inaugural year, the team worked within the new brand strategy to create a campaign look and feel they called "We Understand."

## The Solution

Using a unique cropped rectangle as an iconic border element, and inspiring imagery of teachers interacting with students, "We Understand" conveyed both the insurer's 100-plus years in providing reliable insurance and the union's deep understanding of the extra commitment and effort exerted by members every day in their jobs.

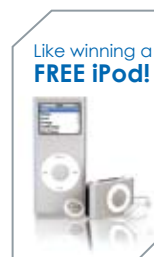
Leading up to, during and after the kickoff conference, "We Understand" brought the powerful messages of commitment, innovation and dependability to life for union members through a whirlwind of communications. Members now see a strong, unified message from the new partnership where every communication increases trust and primes the pump for sales. ▲

## Describing the details, with the right feeling

It was essential that all material produced for the new relationship be accurate and thorough. However, to attract the attention and begin to build the confidence and loyalty of union members, each piece also required as its creative foundation the consistent and effective use of both the brand's and the campaign's core elements. A wide range of brochures for the conference and the coverage switch made sure teachers got the right message even before they read a single, carefully crafted sentence.



You're not getting all your member benefits . . .



Click here  
Register now and enter to win a FREE iPod!

## Taking the new brand online

Within the union's extensive Web site, the new insurance company had to stand out among a virtual landscape of other important union matters, educational issues, political discussions and benefit pages. Because the "We Understand" cropped rectangle is instantly recognizable, the branded material created an arresting Web presence for a banner ad to drive registration on the union's own site.

## A successful launch

The combined brand and "We Understand" theme produced possibly the most dramatic effect at the conference. Using the strong graphic elements from both partners, a single brand was created that evoked the most powerful attributes of both: the strength and dependability of a great insurer and the empathy, commitment and determination of a statewide union of teachers.



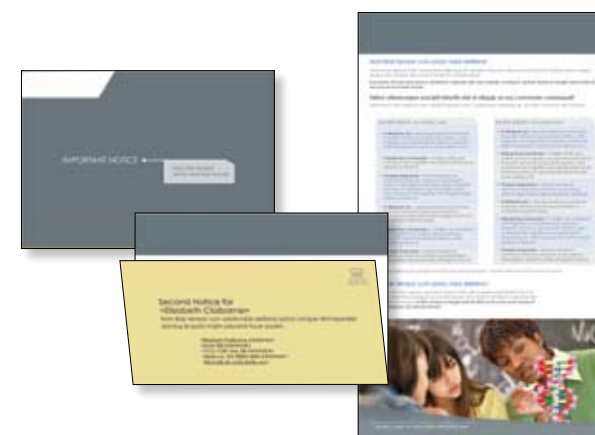
## An introduction to a new brand

Print ads placed in educational and union publications gave members their first glimpse of the new partnership. In a single visual hit, each ad had to drive response to the conference, as well as sell new and upgraded enrollments in the new disability and life coverage. A tall order for a little print ad. Imagery showed teachers at the moment of a typical interaction with students, while callouts showed the extra contributions made by teachers that often go unnoticed — but the impact on the students is clear.



## Going beyond the first semester

Throughout the year, the union and its new insurance partner will conduct enrollment campaigns among the union's numerous chapters statewide, as well as communications programs to new members. Each of these communications has been developed with the "We Understand" theme so imagery and messaging can be customized for the relevant campaign and capitalize on best practices. No matter where an educator is, communication from this new combined brand is always instantly associated with a positive and consistent feeling.



SECRETS OF  
**database**  
marketing

A proprietary prospecting database can be a very sophisticated tool that helps you fine-tune each campaign. This database can track each communication in fine detail, so you can get a holistic view of your mailing universe for making informed, strategic marketing decisions.

For example, your database will let you know, at any point:

- Who has been solicited, by name
- Who has responded, by name
- Which solicitation was responded to (package, offer and method of response)
- Which list(s) those names were found on

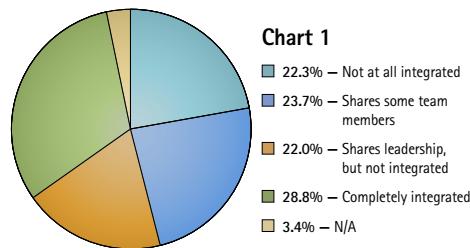
You can then use this data for sophisticated segmentation. The data can tell you what types of niches can be identified and how they can be carved up most effectively. You can see which segments perform best, then market to them more frequently. You may not want to eliminate poor-performing groups — but you can certainly talk to them less frequently and save costs. You can also use interesting contact rotations within households or companies. If you have more than one name within a household — and don't know which is the more likely target — you can alternate which person receives your mailing.

Of course, if you can keep accurate track of which package was sent to whom, you can alternate among several controls and test packages, so that all of them continue to look fresh to your recipients.

A prospecting database has many more advantages — and is another technology tool savvy direct marketers use to make the most of their resources.

# What marketers are thinking — and doing — right now

**b2b** | In July 2007, *High Performance Direct* surveyed direct marketers — including our readers — about their approach to integration on two broad fronts. First, we asked about the integration of marketing functions — direct marketing and brand marketing, direct marketing and sales, direct mail and online marketing. The second part of the survey was about the integration of media. To round it out, we also asked a few questions about the adoption of new media.



## Best practices in integration

Better than one of every four companies surveyed completely integrates direct with brand marketing (see Chart 1). Another 22% share leadership, without being fully integrated. We believe this is a positive result of the attention — beginning just within the last 10 years — on accountability in brand advertising. It also may be influenced by the better results direct marketers see when they build on the brand. This is a natural synergy that we believe will continue to grow.

Even more companies — 32% — completely integrate mail with online efforts. Again, this makes sense. While online marketing costs less per impression, the reach is still small compared to offline media. There's a limit to how many people will be pulled to your Web site via search engine marketing. You can drive far more of them there using offline media by reaching all the people who aren't looking for you.

## Where marketers are spending money

It's not surprising that the vast majority

of marketers we surveyed are using direct mail as an acquisition tool. Customer retention mail also gets a healthy 14% of marketers' budgets, on average. Trade shows are taking about 10% of marketing budgets and are used by 59% of the group we surveyed.

Online options are in the middle of the pack — both in the number of marketers using digital media and in the budgets they're committing to the Internet.

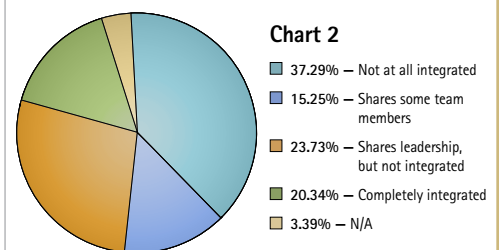
Getting the least amount of budget is television (both spot TV and DRTV), FSIs and other alternative media.

## Commitment to new media

The technology that marketers are most committed to is CRM or sales force automation (see Chart 3 on page 8). Well over half our surveyed companies use it now — and another 10% plan to jump in within six months.

A healthy percentage already use campaign-specific microsites and landing page optimization — 42% and 49%, respectively. Within six months, these ideas will be implemented by more than half the marketers we surveyed. This indicates that marketers know what best practices are in the online world and are ready to work on addressing them.

The technology that's least likely to be on marketers' to-do lists is mobile marketing.



## Integrated teams

The surprising news is that 37% of companies surveyed still have absolutely no integration — not leadership and not team members — between direct marketing and sales (see Chart 2). This

*Continued on page 8...*



Consider this . . .

## Your fall to-do list

### Raking leaves . . . holiday planning . . . last-minute marketing

#### ✓ **Button up for the first quarter**

New budgets mean new opportunities. Now is the time to gather ideas and allocate spending. Try something in a medium you haven't explored yet.

#### ✓ **In the season of giving, be ready to get**

If you're a nonprofit, be prepared for your biggest season. Don't forget to line up plenty of people to answer phones and respond to inquiries.

#### ✓ **Great years don't happen by accident**

Think big. Map out a campaign for next year that integrates all your marketing efforts, including general advertising, marketing and online resources.

Put careful thought into who should be executing your integrated campaign.

#### ✓ **Look ahead by looking back**

Plan for a happier new year. Review your first-quarter results from this year. What can you do now to boost results in 2008?

#### ✓ **Repetition is good**

In this day and age when everyone's bombarded with marketing, you have to keep your message in front of your target all the time. So when you're planning your next campaign be sure to build in ways to repeat your key messages. Tell your prospects that "You will get this when you do that." And then tell them again.

## Use the right lever to get under their skin

b2c

Whether you're selling the dream of a second home, dish soap or anything in between; unless you understand what's happening in your target's mind and *make your messaging relevant to it*, you'll never get anywhere. You only have a few seconds of your target's attention before your message is trashed or deleted. Make sure your initial message — envelope headline, email subject line, DRTV opener, banner ad, whatever — is instantly relevant to the audience's concern. If you're not getting your persuasive lever in right from the beginning, you'll lose them before you get a chance to sell.

## DM 101

### Make it fast with bullets . . .

Almost nothing puts potential customers off faster than a massive chunk of copy. Remember, they are scanning, not reading. You only have a few precious seconds to communicate the essential benefits of your product or service. Bullets make copy more effective. They:

- Keep it light and spacious.
- Spotlight all the big features and benefits, so your reader gets the most info in the shortest amount of time.
- Increase response rates.
- Hit targets better.

## What marketers are thinking

Continued from page 6...

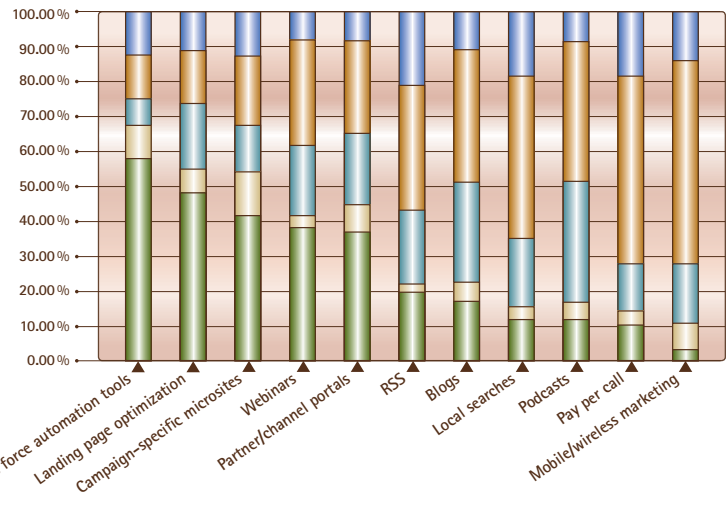
split has been a huge issue for companies for decades. Marketing and sales depend on each other. Neither can be successful without the other. Two-thirds of the companies we surveyed are addressing this in some way — but too many are not.

It looks like few survey responders are thinking about mobile marketing. However, this could change drastically within the next six to 12 months as consumers become more comfortable browsing the Internet on their phones and PDAs. Once the numbers reach critical mass, marketers will follow. And this may even be a smart move for business-to-business marketers to consider.

It seems significant that more than 20% of responders put themselves in the

Chart 3

■ Don't know  
 ■ No plans to use  
 ■ Considering  
 ■ Within 6 months  
 ■ Using now



“don’t know” category for several of our database questions. With so much information at our fingertips to help us fine-tune our programs, it seems that marketers should start the consideration process and either jump in or firmly

decide the time isn’t right.

Now is the time to start testing what will work best for you using all the measurable media available. ▲

## Finding an elusive target

Continued from page 3...

Flexcar could easily find people who fell in their target demographic within a small radius of their Flexcars by using special software that puts addresses at the intersection of latitude and longitude.

And they set up a PowerTest® matrix that would test a variety of lists and offers in a self-mailer package format.

But Flexcar had another challenge that wasn’t as straightforward to solve. What about people who work near a Flexcar, but don’t necessarily live near one? If you commute by bus or train (or ride-share), you won’t have a car on those days when you happen to need one. A Flexcar could be the perfect solution for you.

Flexcar could try to rent business-to-business lists for everyone who works in their target geography. But business responder lists aren’t built by geography, they’re built by industry vertical or occupational title. Flexcar might come away with only a handful of names from each list — or miss an important group merely by focusing on just a few lists.

Faced with this unusual problem, Flexcar took an innovative approach. If Flexcar could leverage the relationship HR



managers (or office managers) have with employees, they could make one direct mail package speak to a whole company.

Many city governments give incentives to businesses that motivate their employees to use public transportation instead of driving alone. If HR managers could make commuting by bus or train more attractive to employees, they would be fulfilling this

aspect of their jobs.

So Flexcar added a new section to their PowerTest matrix. They mailed to HR executives and office managers in a tightly targeted geographical area around their cars. The direct mail package explained what Flexcar was about and how the company could give employees a special perk with free Flexcar membership to all employees. If employees signed up by the deadline, the initial membership fee would be waived. Flexcar also gave the HR manager an extra benefit. If anyone from the company signed up for Flexcar, the HR manager would get a free coffee card.

Because the employee package reached multiple people with one mailing, the results were compelling. Flexcar mailed an equal number of residential packages with the same offer, but the employee package got 82% more sign-ups.

It takes an innovative company to test big ideas in a big way — including two very different selling strategies. That’s why you’ll be seeing more Flexcars on the road in the future. ▲