10 TIMELESS TRUTHS OF SCIENTIFIC MARKETING

The essential principles of 21st century marketing, 150 years in the making.

By Lawrence M. Kimmel

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G. Steven Dapper Founder & Chairman
214.659.5661
steve.dapper@publicishawkeye.com

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10 TIMELESS TRUTHS OF SCIENTIFIC MARKETING

BY LAWRENCE M. KIMMEL, EXECUTIVE DIRECTOR, HAWKEYE

Have you noticed? Things are changing more frenetically than ever–once again.

Many people think it's undeniable. Life is infinitely more complicated now, especially if you're a marketer. They say it's unprecedented. Unparalleled. Unfathomable. And winning is unbelievably hard. I say, maybe not.

Sailing in uncharted waters is far less complex when you have a North Star. Discovering what's actually new is easier if you know what's been unearthed before.

In life and in marketing, things change. Technology advances. Behavior evolves. Yet there are certain undeniable truths, tested over time. They're intrinsic to the activities of humans in the modern age. These truths have been tested and solidified during the various eras of marketing: The print period. The radio days. The television age. The direct mail era. Web 1.0. Web 2.0. And now, during the social/mobile revolution.

These truths should be rediscovered and revered. They are known by some, but ignored by many. That must change–now. But who knows the truth?

Many marketers seem unaware or in denial. However, there is a community of studied practitioners–analysts, statisticians, schooled creatives–who have dedicated their lives to the science of marketing. These practitioners have been honing their craft for more than 150 years. Theirs is a methodology based on rigorous testing and rooted in data and analytics. They have always held customer centricity and accountability as cornerstones of the marketing discipline. The "truths" that these marketing "scientists" have discovered materially increase the efficacy of marketing.

Claude Hopkins wrote about this methodology in *Scientific Advertising* in 1923. John Caples advanced our understanding of the approach in 1932 with *Tested Advertising Methods.* David Ogilvy built on the teachings of giants with his writings in the 1960s. Lester Wunderman, Bob Stone and Ed Nash continued the evolution in the 1970s and 1980s. (And folks like me have been rigorously applying these time-tested truths in the digital age.)

The optimal state of marketing

These aforementioned legends would suggest that marketing in its optimal state is a science. It's methodological, predictable, repeatable, scalable, profitable, and galvanizing to the humans it targets.

They would likely proffer that it is the obligation of marketers to whom brands and budgets are entrusted to understand this methodology, seek to apply its strategic framework, and ideally add to the understanding of this ever-evolving discipline.

Unfortunately, many contemporary marketers shun this methodology and its teachings. Why? Many sophisticated practitioners of this data-driven marketing method historically called what they did "direct marketing." But years of direct mail testing (when mail was the best data-enriched marketing approach) have built strong associations between this scientific approach and this older marketing channel. The association with direct mail–rightly or wrongly–has stunted the adaptation of this rigorous, analytical method and minimized the broad-scale understanding of many time-tested lessons.

The time has come to review scientific marketing's teachings and embed its lessons into the DNA of anyone who is or aspires to operate within the marketing profession. The time is now to expand the community of schooled marketing science practitioners so that we can effectively advance our discipline.

If better understood, appreciated, and deployed, the proven truths of marketing will catapult the careers of marketers and substantially elevate respect for the marketing profession. But how will this all happen?

Hopefully, these "Timeless Marketing Truths" will help. It's a list of "truths" about marketing that are too often overlooked today.

The 1980s book *All I Really Need to Know I Learned in Kindergarten* reminded readers of the life lessons they learned long ago. Like that book, this e-Book will share this comforting news: All you really need to know about *marketing* you learned in kindergarten, too. This includes concepts like "Birds of a feather flock together" and "It's not what you know, it's who you know."

Yes, things are changing more frenetically than ever. But marketers need not toil in a period of uncertainty. Instead, we should operate with confident clarity. The scientific marketing lessons that we have learned over the years and the success they drive should never go out of style–and that's the truth.

What's the commonality among progressive, inventive companies that are winning in the marketplace? According to Erik Ries, Silicon Valley entrepreneur and author of *The Lean Start-up*, it's an approach he describes as "continuous innovation."

These winning companies go to market quickly. They fail fast. They analyze rigorously. They iterate constantly. I read this conclusion and said, "Duh!" This notion of "continuous innovation" is the essence of the scientific marketing approach that many of us have been honing for more than 150 years.

We who are data-driven marketers have always tested our ideas, constantly and rigorously. We assessed the efficacy of our ideas by testing them with best customers first. If they failed with those customers we knew our products probably wouldn't work with anyone. Yet, if they proved successful and profitable, we would expand our reach and market to those next most likely to buy. And if that worked, we'd expand again–and again and again. Naturally, we would test multiple components–pricing, offer constructs, media alternatives, targeting models, and creative variations–in a systematic fashion. Using this simple, slow, and steady methodology, many businesses were created, going from the kitchen table to the stock tables with a minimum of outside funding.

I've always likened scientific marketing, or direct marketing, to the Japanese philosophy of Kaizen, meaning never-ending improvement. Now, maybe the words "continuous innovation" are an improvement over "never-ending improvement"; I'm not sure. But I am sure that the essence of this idea is unchanged: "Slow and steady wins the race" is a timeless truth.

Now, every time I suggest that "slow and steady" is relevant today, someone objects. "How can you say that?! We live in an age of real-time marketing…a time when speed-to-market is critical for survival, when nanoseconds can make or break a brand." To those objectors, I admit that "the early bird catches the worm," too, but if they slow down and think about it for a minute, they'll understand the merits of the "slow and steady" truth,

TIMELESS MARKETING TRUTH #1

SLOW AND STEADY WINS THE RACE

SYSTEMATIC TESTING AND MEASUREMENT—EVEN AT TODAY'S INTERNET SPEED—IS STILL THE BEST GO-TO-MARKET APPROACH.

albeit now executed on steroids.

There are numerous examples of the "slow and steady" truth, executed at Internet speed. Mark Zuckerberg, Facebook chairman and CEO, uses the scientific marketing method, but he calls it "The Hacker Way."

According to Zuckerberg, "The Hacker Way is an approach to building that involves continuous improvement and iteration. Hackers believe that something can always be better, and that nothing is ever complete. They just have to go fix it. Hackers try to build the best services over the long term by quickly releasing and learning from smaller iterations rather than trying to get everything right all at once. To support this, we've built a testing framework that at any given time can try out thousands of versions of Facebook. We have the words 'Done is better than perfect' painted on our walls to remind ourselves to always keep shipping."

Zuckerberg continued, "Hacking is also an inherently hands-on and active discipline. Instead of debating for days whether a new idea is possible or what the best way to build something is, hackers would rather just prototype something and see what works. There's a hacker mantra that you'll hear a lot around Facebook offices: 'Code wins arguments.'"

Yes, "code wins arguments" at Facebook. And at Google one of their guiding principles is that "data beats opinion."

To scientific marketers, Facebook's "Hacker Way," Google's "Data Decides," or Eric Ries' "Continuous Improvement" approach is not news. Yet for me, I'm glad they're newly espoused.

For years scientific marketers like myself sat at the "kiddy table" while old time brand marketers pontificated about what they *thought* as opposed to discussing what we *knew*. But many of us bit our tongues all of those years, believing that someday… *someday*…the world would come to appreciate that there was a better marketing method. We were confident that astute marketers would eventually embrace our commitment to rigorous testing and data decisioning. We believed it because we always knew this truth: Slow and steady wins the race.

I t was stunning. A few years ago I spearheaded a research project in which we polled some of the world's top marketers. We asked, "Of the four 'Ps' of classic marketing, which ones do you have responsibility for?" Naturally, "promotion" (advertising) was their top answer, receiving a score of 91%. Next, 39% of marketers indicated they were responsible for "product," and 39% said they have responsibility for "place." "Price" came in last with 22%.

Then we asked, "Of the four Ps of marketing, which one do you want *more* control of?" I predicted "product" would win. After all, ultimately, "product" represents the keys to the kingdom. Others argued, "price" would be the top vote getter. But when the final results were tailed, we were all wrong.

The "P" most marketers wanted *greater* control of was "promotion." Promotion?? This dumbfounded us. How could that be? These marketers were responsible for "promotion." They told us so. Yet, sill they want *greater* control of it?? What was going on?

We searched for answers. We read all the verbatims. We evaluated the crosstabs. We talked to more marketers. Through this rigor, the answer became clear. Many marketers don't really *control* their destiny. Often they are not empowered to make the final decisions related to "promotion."

I guess we should have known this instinctively. Yet, our research affirmed that many promotion and advertising decisions are made by product managers, financial executives, or even the CEO–but not by "marketers." Also revealing was the fact that the majority of the marketers who wanted more control of promotion and adverting, admitted that they didn't have an understanding of their advertising ROI.

Without the rigor of scientific marketing and clarity on their ROI, these marketers' *opinions* carry limited weight. Unlike at Google where "data beats opinion," these marketers don't have a leg to stand on. This is a pity because even if they had real control for "promotion," these marketers would still be at a great disadvantage. They would only have control of one "P" –and that's simply not good enough. *All* aspects of marketing need to be optimized. To have real maximum impact, marketers must "mind their Ps" –*all* their Ps. This is true today, and it was true way back when.

TIMELESS MARKETING TRUTH #2

MIND YOUR Ps (NOT YOUR Qs)

MARKETERS MUST MIND ALL FOUR "PS" OF MARKETING, ESPECIALLY PRODUCT.

In classic scientific/direct marketing, we always knew that the most important predictor of success was the essence of the "product." Second in terms of importance was to whom you marketed your product. ("Place" is sometimes included here.) Next was the construct of your offer and "price." And last in terms of importance, albeit *not unimportant*–was the way you represented your product though your creative expression or "promotion."

To build a sustainable business, *what you offer* is infinitely more important than *what you say*.

Think of all the great brands that have been built without formal advertising: Google, Facebook, Amazon, ebay–even Walmart in its formative years didn't spend a dime on conventional advertising. Product, place, and price have been the drivers behind these brands' success.

In the past few years this "Mind your Ps" truth is certainly apparent in social media. As social media developed, many marketers became frustrated that social media wasn't performing like advertising. They found it hard to sell via social. Yet they were ignoring the other benefits of social media for listening, customer service, corporate reputation, risk mitigation, advocate engagement, etcetera. *All* these benefits should be fully embraced by marketers.

Lastly, "Mind your Ps" is essential now for a host of other reasons:

• Now more than ever, we live in a *post-advertising world*; a world where mobile is key, and advertising in that context is rather inconsequential.

• We live in *transparent times* where brand truths are publically espoused and admonished and evident for all to see–and advertising is less influential.

• These are times when *transformational tech* quickly uproots long-standing categories, and beloved brands can quickly disappear.

• This is a period when former category behemoths – Blackberry, Zynga, Groupon, and even Facebook -- in a matter of months or even days can suddenly become vulnerable.

• This is a period when consumer demands for immediacy, transparency, relevancy, and value have never been greater.

Yes, marketers should leverage scientific marketing's time-tested principles to optimize ROI and garner more credibility in budgetary and strategic decisions, but it can't stop there.

If you want to really drive your business' success, you need to mind all your Ps. And hopefully, when you're armed with holistic solutions and scientific facts, no one in your organization will mind.

TIMELESS MARKETING TRUTH #3

SEEK AND YOU WILL FIND

LOOKING FOR INSIGHT FROM CUSTOMER DATA? HERE ARE FOUR TIMELESS IDEAS TO HELP YOU FIND IT.

Are you lost? Maybe a little? Fear not. "Seek and you will find."

What am I talking about? Data, insights, intelligence–that which can transform your business. Let me explain…

We live in the age of Big Data. Unfortunately, most marketers live in organizations with small budgets. Even marketers in large organizations usually have constrained IT budgets. In addition, data has been called "the new gold," yet most marketers are not trained as data miners.

So how can marketers reconcile these realities? How can you better leverage your data investments? How can you lead data initiatives without getting lost in technological complexity?

Here are four simple, timeless ideas:

1. All data is not created equally

Forget Big Data for a moment. The objective is *not* to churn thought big data files; the objective is to leverage *key* data sets that really drive success.

To do this, first concentrate on data points that significantly lift results–and make sure there is appropriate organizational understanding *of*, and emphasis *on*, this critical data. Two very simplistic examples are: a) If you're in auto insurance, critical data might be your prospects' insurance policy expiration dates; and, b) If you're a car manufacturer, it might be the nanosecond someone clicks on a competitor's car configurator landing page.

Big results can come from small data sets. One small step in data can mean one giant step for data-driven marketers.

2. The end is a good beginning

If you can't do it all, where do you start? At the end. *Proximity to purchase* has always been a smart way to invest limited dollars. Obvious examples of proximity to purchase include targeting those who abandon your shopping cart. Or, leveraging customer data in your inbound call center to cross-sell the right products. Or leveraging longer keywords. (Someone who searches for, "Caribbean cruise, March 15-22" is obviously much closer to buying than someone who types "Cruises.")

If you don't know where to go, remember, *proximity to purchase* is always a good place to be.

3. Although not recent, recency/frequency/monetary is still current

In classic scientific marketing, we based communication and investment decisions on customer *recency*, *frequency*, and *monetary* value. Guess what? This old-time direct mail modeling approach is just as important for contemporary marketing techniques like retargeting. What's old is new again. So I ask, have you *recently* and *frequently* leveraged RFM to drive *monetary* success? You should.

4. To stay out of jeopardy, play like *Jeopardy*

In the game show *Jeopardy*, everything can be won or lost in "Final Jeopardy." Similarly, in the world of marketing, you can make or break a career with a large data technology investment.

Many organizations get into trouble because they overspend on data systems or believe that technology will provide a panacea. It won't.

To win at *Jeopardy*, you have to hit lots of singles before you swing for the fences. To win at data-driven marketing, you might want to consider the same approach.

In *Jeopardy*, you're presented with "answers" and you have to formulate questions.

In marketing, consider what data insights or "answers" might make an important improvement in your performance. Then access a limited data set and test your hypotheses without making a major tech investment. If this data or these "answers" prove significant, the "question" will be, how do you get access to this data in the most efficient and effective way? Armed with that knowledge, you'll be better at outlining your technology needs and justifying your expenditures–and you'll likely stay out of jeopardy.

Small is the new big

The promise of Big Data is exciting. Capitalizing on big data's volume, variety, and velocity can be exhilarating. But for most organizations, the prospect of harnessing the power of Big Data soon is unlikely.

Therefore, seek the critical data you need now, and you should find that small data strategies can yield big results.

I t was stunning. Some marketers still don't fully grasp it. But I would argue that this quote changed the advertising industry forever...

In 1932 John Caples–the legendary copywriter who dedicated his career to A/B split testing–said, "I have seen one advertisement sell 19 and a half times as much goods as another."

After Caples wrote those words, the scientific advertising method was elevated. Suddenly, the notion of using a *non*-scientific advertising approach seemed absurd to many savvy marketers.

That was more than 80 years ago. We've learned a lot since then. But we have more to learn.

The first thing I wanted to learn was what is the disparity in ad performance today? I asked my media team, "How much better is the best combination of media and creative versus the worst performing combination?" They picked a campaign at random. Their answer was 1,200X: The best performing media/creative combination was 1,200 times better than the worst.

To put these results into context: Imagine you're running an ad campaign. You invest $10,000 of your own money. In one case you get back $12,000,000.00. In the other case you get back $0. $12,000,000.00 versus $0!

Now more than ever, marketing is a numbers game. In the past few years ROI clarity has caused seismic shifts in marketing expenditures. ROI clarity is why billions of ad dollars have moved to search engine marketing (SEM). It has caused the radical expansion of retargeting. It has also driven the dramatic growth of real-time bidding.

More than 80 years after Caples' quote, most marketers have now embraced a more scientific marketing approach. Further, the next generation of marketers embraces the scientific marketing method even more. Talk to college marketing students and you're likely to find they don't use terms like "direct marketing"; they simply call data-driven, accountable marketing by one word: *marketing*.

In 2013, like in 1932, if you test, you'll be rewarded–and if you put communications in front of a large enough sample, you'll find that consumer behavior is remarkably consistent, time and again. This is true to-

TIMELESS MARKETING TRUTH #4

THERE IS SAFETY IN NUMBERS

THE RIGHT ADVERTISING/MEDIA COMBINATION CAN IMPROVE PERFORMANCE 1200X OR MORE.

day as it was 50, 80, or 100 years ago.

That's the good news. But here's the bad news.

Our work, as scientific marketers, is not done. In fact, for many marketers achieving ROI clarity is now *harder* than 81 years ago.

Yes, we now know more about our prospects and customers. Who they are. What they like/love/hate. Their propensity to buy. However, obscuring ROI precision are the explosion of marketing channels, the interdependency of marketing tactics, and the influence of social media. When you send a promotion code to 200 people in an email, which gets picked up by a blogger and makes its way to a deal site, how do you calculate ROI accurately? All these factors mean that it's harder to specify marketing ROI in *totality*. While you might have ROI clarity on SEM, display, or direct mail activities, if that's all you do, when you use multiple channels–and who doesn't–the results get muddy.

Today many marketers rely on attribution models. But these models are imperfect. Even if one company's attrition model is robust, it's unlikely it will work for another company. In addition, few companies analyze their online and offline results collectively.

Improving today's ROI precision is critical for scientific marketers. Marketing only garners appropriate respect when finance people believe the validity of our analysis, and trust the reliability of our predictions.

So what should we do now? We should do what John Caples did. We should share our learnings. We should let others know what's working. And by this, I'm not taking about sharing sanitized, homogenized software vendor case studies; I'm talking about real cases, told by real practitioners. In 1932 John Caples wrote *Tested Advertising Methods*. In 2013 it might be good to read, Tested *Attribution* Methods.

So I ask: Do you have important insights or a great example of attribution success that is broadly applicable? If so, please share. Comment below. Tweet to @KimmelsCorner. Tell a colleague. Do a speech. Author a white paper. Write a book.

The more we share, the better off we'll all be. After all, there is safety in numbers.

TIMELESS MARKETING TRUTH #5

TO EVERYTHING THERE IS A SEASON

TIMING OPTIMIZATION IS A SCIENCE MARKETERS NEED TO MASTER. HERE ARE SIX CRITICAL CONSIDERATIONS.

When is the best time to Tweet? 5 AM or 5 PM? Which is the best day to post on Facebook? Monday or Saturday? What is the best month to send an email? December or January?

The answer is, all of the above.

In marketing, timing is everything. Or better put, "To everything there is a season."

In classic scientific marketing we always understood the importance of timing. Yet we based our decisions on generalities. Rainy days were better than sunny days for communication. Weekdays were better than weekends. New movers and new parents were prime targets.

These time-tested truisms still work in many circumstances, but now timing optimization is an exacting science.

Your objective is to find commonalities among your prospects and customers, based on their availability, receptivity, and activity. Your *challenge* is that the optimal time to communicate differs by channel, category, company, individual, the type of behavior desired, and a host of other factors.

For example, if you want your Twitter followers to share, posting in the United States is great at 1PM. In France, 5AM works well. If you're a retailer looking to drive sales, posting on Facebook is highly effective on Monday, but if you're in the entertainment business, Saturday is much more effective.

Here are 6 critical considerations for timing optimization:

1. The season. Naturally, it's better to sell winter coats in the winter. But the seasonality for certain products is less obvious. Health clubs and diet plans do great in early January, aligned with New Year's resolutions. January also works particularly well for many product categories, which seems counterintuitive. Yet media consumption generally goes up in January and therefore online (or remote) shopping can do well. It should also be noted that there are usually some cohorts whose behavior is aberrant. "Snow birds" buy sandals in the winter. Dedicated swimmers buy bathing suits all year long. As such, moving from mass marketing to micro-targeting becomes particularly important in certain situations. You may want to consider which aberrant cohorts can drive the most impact for your business and experiment with ways to reach those cohorts.

2. Daily behavior. An obvious timing opportunity to capitalize on is daily behavior. Many people wake up, eat lunch, and check Facebook at similar times. For this reason, communicating on Friday afternoons–when many people disengage–frequently does poorly. Direct response TV does well in the daytime when distractions (and rates) are generally lower. Online shopping does well at 8 PM when people are home. However, finding the optimal timing is not always simplistic. Daily behavior patterns vary for students, businesspeople, and retirees. Weekend behavior is less consistent. Geography is also a factor. Approximately 48% of the U.S. population lives on the East Coast and 80% live on Eastern Standard and Central Time. As such, if you've got a local bakery, timing optimization is easier than if you've got a global business and you're communicating in social media. So here are two questions: Are you aggressively leveraging daily behavior patterns? How can you better align your daily timing and messaging?

3. Celebratory moments. Birthdays, anniversaries, graduations, and holidays can be great marketing moments. The power of recognizing these events should not be underestimated, particularly for your best customers. Yet there are some less obvious moments of celebration that can also be leveraged. For example, the moment someone reaches a new level in a game, or completes a health-related quiz, or a local team wins a big game. Ask yourself: What new celebratory moments would be right for your business?

4. Life events. Obviously, many purchases coalesce around important life events: marriages, births, purchasing a new home, etc. The critical factor here–and with many time-based opportunities–is identifying these prospects quickly, so you can be the first to sell your brand of diapers, dishware, or cable TV subscription. So consider this, what can you do to ensure your *current* brand advocates recommend your product when their friends or neighbors experience an important life event?

5. Opportunistic events. Campbell Soup used to sponsor the weather report on rainy days. Years ago, we helped a computer virus software company unleash campaigns *immediately* after a computer virus broke out. Oreo's use of social media during the Super Bowl electricity outage was a slam dunk, so to speak. To capitalize on opportunistic events, you should be prepared to take advantage of likely, albeit infrequent, events that could impact your business, like weather events, or a political outcome, or a sporting event. Your social media team should also be structured to act fast when unforeseen opportunities arise.

6. Momentary opportunity. These opportunities should be obvious. Someone Googles "ski vacation in Colorado." Someone visits a car configurator website. A customer standing in a Best Buy store visits Amazon.com. A customer calls your contact center. Ask yourself, is your marketing truly living in the moment? Are there moments when consumers are seeking information that you can better leverage?

You can see that finding the "best time" to communicate is not always an easy question to answer. Yet I can assure you that *now* is a great time to consider the question.

TIMELESS MARKETING TRUTH #6

MAKE NEW FRIENDS, BUT DON'T FORGET THE OLD

YOUR BUSINESS INVARIABLY HUNGERS FOR BOTH NEW CUSTOMERS AND LOYAL CUSTOMERS. SO SHOULD YOU BE SPENDING MORE TIME AND MONEY TO DRIVE CUSTOMER LOYALTY?

It's crazy. Some people never learn…

Marketing to existing customers tends to be six to seven times more profitable than prospecting. We've known this forever. We also know that word-of-mouth can be two to 20 times more influential than advertising. Yet most marketers still spend a disproportionate amount of their budgets on acquisition, as opposed to turning their triers into buyers…buyers into advocates…and advocates into an army of brand evangelists. This overemphasis on acquisition is arguably the biggest mistake marketers make. It doesn't have to be this way.

Marketers should never forget that old axiom: Make new friends but don't forget the old; one is silver and the other is gold.

But what about you? Your business invariably hungers for both new customers and loyal customers. So should you be spending more time and money to drive customer loyalty?

7 considerations for acquisition versus retention investment

Here are seven considerations to help with your acquisition versus retention/loyalty budget allocation decisions:

1. *Consider your wallet share*: Generally, if your wallet share is low, your spending on current customers should be higher.

2. *Consider the 80/20 rule*: If your top 20% are treated a lot like your other 80%, you probably should change your rulebook.

3. *Consider your Net Promoter Score*: If your NPS says you're not loved, share some love with those who should love you: your customers.

4. *Consider your total number of prospects*: Usually, the smaller your prospect population, the less you should be prospecting.

5. *Consider your capacity*: If your sales capacity or inventory is limited, your acquisition spending should be limited, too.

6. *Consider the cost of acquisition*: Obviously the more it costs to acquire customers, the more you want to retain customers. On the B2B side, for example, it might take six months or longer to close a sale.

7. *Consider your organizational structure*: If there isn't one person in your organization ultimately in charge of loyalty and customer experience (as is often the case), there's probably more that can be done to drive loyalty and advocacy.

Now assuming that you *should* consider spending more on customer retention/loyalty, what approaches should consider?

10 simple retention/loyalty marketing ideas

Here are 10 loyalty-driving ideas that any organizations can easily leverage:

1. *Say "Thank you:"* Thank customers any time they do something helpful, e.g., when they visit, try, buy, comment, share, or even complain. One study suggested that "Thank you" in a subject line increases open rates by 14%–and appreciated customers' open their wallets far more often. So have you institutionalized "thank you's" into all of your communications touchpoints?

2. *Recognize your customers' loyalty and actions*: American Express has proven the effectiveness of this simple technique year in and year out. The company will write, "Dear Sharon, since you have been a loyal member since 1992, we want to offer you..." It has always works. So ask yourself, are you effectively levering *what* you know about *who* you know?

3. *Get personal*: Whether it's remembering a client's birthday or personalizing a mass email, even simple personalization can lift response by double digits.

4. *Get off to a great start*: The moment after a purchase is critical in your relationship. Customers want to feel good about what they've done and share the good news with others. Make it easy for them.

5. *Talk it out*: Forget monitoring talk time at your call center. These are your customers calling. Follow the Zappos model: Give customers all the time they need to talk.

6. *Stop complaining*: One study suggested that a customer who had a problem successfully resolved by a brand is 13 times more loyal than a customer who never had a problem with it. How good are you at problem resolution?

7. *Talk to those who talk to your customers*: Make sure your marketing department has a regular dialogue with those who talk to your customers every day–be that your salespeople or customer service reps. I've always found that spending a few hours in an internal focus group with a company's customer service reps is one of the most effective ways a marketer can spend his time. When is the last time you gleaned formal insights from your frontline staff?

8. *Celebrate service*: Publicly acknowledge and reward those who go the extra mile for your customers. Make sure your entire organization knows the premium you put on customer service.

9. *Give your best your best*: What do you do that is truly extraordinary for those customers that are most important to you? If you have trouble answering the question, find some answers.

10. *Let them in*: Your best customers probably know and use your products far more often than your marketing department. Leverage these customer insights. Let them co-create your products. Let them test them, critique them, and then reward them for their advocacy. Build a community for them if they haven't done it for themselves. Your customers are your best salespeople. Never forget that.

And never forget this either: In marketing "new" is always exciting, but when it comes to your customers, don't forget your "old"–because one is silver and the other is gold.

TIMELESS MARKETING TRUTH #7

BIRDS OF A FEATHER FLOCK TOGETHER

THREE WAYS TO USE CUSTOMER DATA AND ENGAGEMENT TO ACQUIRE NEW CUSTOMERS.

It's undeniable. One of the most powerful notions in marketing is–and has always been–birds of a feather flock together.

This core idea should inform marketing acquisition, retention, win-back, brand evangelism, and social media strategies.

How can you leverage this notion? Before I address this–the seventh *Timeless Truth*–it might be helpful to quickly review the first six *Timeless Truths*. These truths have all proven effective decade after decade and can provide stability in our world of frenetic change:

1. Slow and steady wins the race. This long-standing scientific marketing approach has now been adopted by tech entrepreneurs and renamed "continuous innovation." Regardless of what you call it, the approach works–and it's simple: Go to market quickly. Fail fast. Analyze rigorously. Iterate constantly.

2. Mind your Ps. Now, more than ever, marketers must consider all four Ps of marketing, and not just fixate on "promotion" or advertising. We have long understood that the most important predictor of marketing success is the "product" itself. Second in terms of importance is to whom a product is marketed ("place" falls into this category.) Third, is the offer construct and "price." Last is the product's marketing communications or "promotion."

3. Seek and you will find. All data is not created equal. Marketers must continuously seek the data (big and small) that can drive business performance.

4. There is safety in numbers. Today, the best performing marketing/media combinations can drive performance that is over 1000 times better than the worst. It should go without saying, but every marketer should have a well-defined, continuously deployed, testing and optimization methodology.

5. To everything there is a season. The retailer The Gap has learned that the best time for them to post on Facebook is 9:32AM on Thursdays. Timing optimization is now an exacting science. Your objective is to find commonalities among your prospects and customers, based on their availability, receptivity, and activity. Your *challenge* is that the optimal time to communicate differs by channel, category, individual, and the type of behavior desired.

6. Make new friends, but don't forget the old. Marketing to existing customers tends to be six to seven times more profitable than prospecting. We've known this forever. Yet most marketers still spend a disproportionate amount of their budgets on acquisition. This over-emphasis on acquisition is arguably the biggest mistake marketers make.

Now, here is the seventh *Timeless Truth*: Birds of a feather flock together. As stated, this core idea should inform marketing acquisition, retention, win-back, brand evangelism, and social media strategies. Leveraging "Birds of a feather" shortens sales cycles, improves efficiency, and helps establish brand and marketing priorities. Further, studies prove the power of friend-get-a-friend and word-of-mouth marketing. These methods usually attract more loyal, more profitable customers and yield better ROI.

Decades ago we learned the power of geo-targeting and demographic targeting, but today our ability to leverage behavioral and location-based data and consumers' social graph dramatically enhances the power of birds of a feather. In fact, one could argue that most powerful driver of social media is the notion that birds of a feather flock together.

So here are three easy steps to leverage "birds":

• **Identify the birds in your flock.** Examine your database and your social media communities. Look deeper for commonalities among segments of your customers and community. By better understanding and levering these insights you can become far more efficient in your prospecting efforts.

• **Search for big birds.** Identify your customers with influence, the ones who matter most from an advocacy and economic perspective. Encourage their enthusiastic support. Build lookalike models to find more like them.

• **Develop effective birdcalls.** The notion of birds of a feather enables you to create more relevant messaging and offers. Test more personalized approaches that leverage your birds-of-a-feather insights.

Birds of a feather is another, critical *Timeless Marketing Truth*. Remember it. Leverage it. It will help your business fly.

TIMELESS MARKETING TRUTH #8

YOU ARE THE SUNSHINE OF YOUR LIFE

WHAT IS IT ABOUT "YOU" THAT'S SO POWERFUL?

What is it about "you" that's so powerful?

"You" is arguably the most effective word in advertising–and has been for years. In fact, marketers should remember the importance of "you" in every piece of communication they prepare. Let me explain.

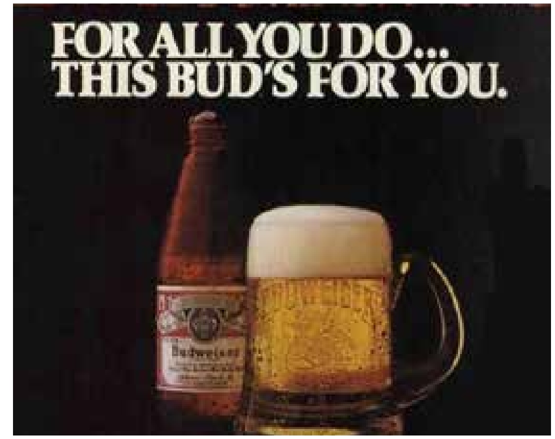
Decades ago, John Caples–the legendary copywriter who helped pioneer A/B split testing–said that the most powerful word in advertising is "you." Today, the power of "you" lives on.

In 2013, the Dove Real Beauty Sketches video went viral. It became the most-watched video ad of all time. The message of the clip is, "YOU are more beautiful than YOU think"–a powerful notion for women who have been subjected to an idealized, narrow definition of beauty for years.

In prior decades, "you" proved incredibly compelling, as well. Consider the power of these campaigns:

The U.S. Army used this slogan from 1980 to 2001. This was the post-Vietnam period, when joining the Army was certainly not "cool." But to maturing teenagers, the promise maximizing one's potential was compelling. In fact, the idea of achieving one's potential might have been so compelling that it was even worth risking one's life to attain it.

In 1971 McDonald's launched this campaign. This was a time when more meals were cooked at home, more baby boomers were young and living with their parents, and more women were joining the workforce. As a result, the idea that YOU deserve a break–and can have an affordable meal at McDonald's–was motivating.



In 1979 inflation was running rampant. Energy prices were skyrocketing, and GDP growth dropped from more than 4% to about 1%. Hardworking, blue-collar workers were struggling. Budweiser hit the spot with their "This Bud's for YOU" campaign.

From an "accountable marketing" perspective, the power of "you" has also been borne out. In fact, Caples evaluated word use in some of the most successful direct marketing campaigns and identified "you" as the most compelling word.

Yet the importance of "you" in marketing shouldn't only be taken literally. Marketers must never forget that focusing on their customers' needs first–rather than their product features–is the formula for delivering a solid ROI.

Furthermore, the power of personalization certainly speaks to the importance of a you-centric approach. Research conducted by Responsys suggests that 61% of consumers have a more positive brand sentiment when marketing messages are personalized.

Life is a journey. It's a quest. And if you're like most humans, you're intrigued by information and products that will make you happier, healthier, wealthier, wiser, or more attractive. Your customers are no different. Give them what they want, and they're more likely to want you.

"Free," "guaranteed," "new," "save," and "results" are all powerful words in marketing. But you can never go wrong by focusing on "you," if you know what I mean.

TIMELESS MARKETING TRUTH #9

IF AT FIRST YOU DON'T SUCCEED...

MARKETERS NEED TO TEST, TEST AND TEST AGAIN. NOW TEST YOURSELF.

After 30 years of doing accountable marketing I know this: I'm smart enough to know that I'm not smart enough to have all the answers–so I test.

And today, as a test, I'm going to try something different. To convey the importance of testing, I ask you to please take the following test (and please read the answers completely).

1. For a higher open rate, when is it better to send an email?
a. 8 a.m.
b. 8 p.m.
c. No difference

2. Which of these words is best to include in a subject line?
a. "New"
b. "News"
c. "Newsletter"
d. "Urgent"

3. How many times should you run a print ad in the same publication?
a. One time
b. Three times
c. Six times
d. Twelve times

4. What is the best day for retailers to post on Facebook?
a. Monday
b. Wednesday
c. Thursday
d. Saturday

5. Which of the following are consumers most likely to do on their mobile phones?
a. Click on an ad while browsing the Internet
b. Scan a QR code
c. Send a text to participate in a sweepstakes, contest, or quiz
d. Send a text message or code to get discounts

6. Which provides the biggest lift for a B2B post?
a. A question mark in a LinkedIn post
b. A question mark in a tweet
c. An exclamation point in a LinkedIn post
d. An exclamation point in a tweet

7. A/B split testing started in the...
a. 30s
b. 50s
c. 70s
d. 90s

8. Who said the following? "There's a new way to do marketing–and it's to do it with numbers."
a. John Caples
b. Eric Schmidt
c. David Ogilvy
d. Mark Zuckerberg

Answers

1. **b.** Emails sent between 8 p.m. and 12 a.m. have the highest open (21.7%) and click-through rates (4.2%). Emails sent between 8 a.m. and noon have the lowest open (16.1%) and click-through rates (2.4%), according to Experian's *Quarterly Email Benchmark Study*, published in March 2013.

2. **b.** Here's the good news: "News" lifted open rates by 34.8%, "new" improved open rates by 23.2%, "newsletter" increased open rates by 0.7%, and "urgent" decreased open rates by "1.7%," according to the *Adestra Subject Line Analysis Report 2013.*

3. **b.** The third time's the charm. To maximize response marketers need to run an ad (ideally, a full-page ad) in three consecutive issues of one publication. (Source: Business Marketing Institute and *Harvard Business Review*.)

4. **a.** Interaction rates for general retail are 19% higher on Mondays, according to a study by LinchpinSEO. Apparently, it's "Manic Monday" for retailers on Facebook.

5. **d.** Don't discount the appeal of getting discounts. According to Forrester Research Inc.'s *North American Technographics Online Benchmark Survey*, sending texts to get discounts ranked first, followed by scanning QR codes, entering sweepstakes/contests, and clicking on an ad.

6. **c.** Exclamation points on LinkedIn increased clicks by 26%, but exclamation points decreased clicks on Twitter by 15%. Question marks received 25% fewer clicks on LinkedIn and 39% fewer clicks on Twitter. (Source: *Compedium Research Study*.)

7. **d.** Claude Hopkins, the pioneer of A/B split testing, started his career in the '90s–the 1890s. OK, this was a trick question. It's unclear exactly what year A/B split testing commenced. But the point is: The benefit of testing is timeless.

8. **b.** Eric Schmidt, Google's executive chairman, stated, "There is a new way to do marketing–and it's to do it with numbers." Yet Schmidt's insight was more than 100 years late. His comment certainly reinforces the timelessness of testing, but his mistake reminds us that "If at first you don't succeed, try, try, try again."

A few years ago Netflix closed my family's account. I inquired as to why. Netflix said that we hadn't returned a Disney Princess DVD. I checked with my then six-year-old daughter Ava. She insisted that she put the DVD in the mailbox. I sided with Ava and called Netflix back. I was ready for an argument. I stated firmly that we returned the DVD. I was sure that Netflix would say that if I paid $79.99, it would gladly reinstate my account. But that's not what happened.

The Netflix customer service representative checked my records quickly and responded, "Mr. Kimmel, it looks like you've been a good customer. These things happen. We will reinstate your account immediately." Netflix didn't interrogate me. It didn't argue with me. It didn't ask for any money. I was pleasantly surprised. Smartly, Netflix followed that old marketing adage, "Do something remarkable that people will remark about"–and here I am remarking about Netflix.

Netflix is a Big Data company. It leverages cutting-edge technology. Yet for me–and many like me–it was Netflix's understanding of me as a customer that really mattered.

TIMELESS MARKETING TRUTH #10

IT'S NOT WHAT YOU KNOW, IT'S WHO YOU KNOW

MARKETERS MUST IDENTIFY ADVOCATES AND TURN THEM INTO EVANGELISTS. HERE'S HOW.

Today companies can leverage Big Data, capitalize on machine learning, deploy progressive customer engagement technologies, and live mobile first. But just like years ago, companies that want to last need to live "customer first."

To me, this means taking many large and small actions:

Know me in the call center, on the website, and in person (where possible). I like it when Apple answers the phone, "Hello, Lawrence. How can we help you?"–even though it's an automated voice.

Listen to me in aggregate via social listening and individually. I appreciate being asked via live chat, "Can I help you?" when I'm obviously having trouble on a company website.

Remember me, including my name, address, preferences, and credit card information if I allow it. I like it when the Levi's website remembers the item I was considering when I had to abandon my shopping cart and come back another day. I love it that I don't have to give my credit card to the driver when I exit my Uber (car service) vehicle.

Appreciate me when I shop, buy, and return. I appreciate that American Airlines gave me TSA status without me asking, which lets me zip though airports with my shoes on and my computer safely tucked away. I like that the Hyatt gave me a free adjoining room when my wife, two kids, and I were all crammed into one hotel room.

Empower those that deal with me. Empower employees on the phone, on the retail floor, and on your site. I appreciated that the drug store clerk let me in at 10:05 p.m. when the store closed at 10 p.m. I love that the Netflix customer service representative didn't have to escalate our conversation to a supervisor when I called to complain that the company cancelled my account.

Every company worth its salt has brand advocates. Our job as marketers is to turn advocates into evangelists. Like I said, "It's not *what* you know, it's *who* you know." Hopefully what you know now is how important who you know is.

ABOUT THE AUTHOR

Lawrence M. Kimmel is widely regarded as a marketing thought leader. He led one of the world's leading direct/interactive agency networks to 10 years of unprecedented success. He returned the Direct Marketing Association to economic health. He built several organizations from scratch and has attracted business from – and drove business for – a myriad of Fortune 500 companies.

Larry has keynoted at marketing events around the globe and has been featured in countless publications, including *The New York Times, The Wall Street Journal, Advertising Age, Adweek, Bloomberg Businessweek* and *Direct Marketing News*. He is a Silver Apple Award winner. He served as the General Chair of the John Caples International Awards. He also serves on the board of non-profit organization that builds housing for people in need.

Larry joined hawkeye in 2012 as its first Executive Director, after leading the Direct Marketing Association as its CEO. Previously, he spent ten years at the Grey Direct Global Network, serving as its Chairman/CEO, overseeing up to 49 offices in 42 countries. Before Grey, Larry spent seven years in senior management at Draft Worldwide. Larry can be found on Twitter @KimmelsCorner and www.KimmelsCorner.com.