



SCORE column: Business should measure results

Dave Gee was looking for a plumber recently and asked his son to check the Yellow Pages. In response, Gee got a blank look and a "What's that?"

It is instances like this that reinforce Gee's belief that businesses need to know their market and how to most effectively reach it. As the founder of Sales Sherpas and a SCORE seminar presenter, Gee teaches businesses how to achieve a return on investment (ROI) in their marketing.

"You need to know what you're spending money on," Gee explained. "What happens is people tend to take a shotgun approach to marketing based on a sales representative. They like the salesperson and decide to advertise before stopping and asking if this is the best way to reach their customers."

Gee says that a business needs to know its customers and as much as possible about them. Where do they go? What do they read? Who are these people? Once a market is defined, advertising should be in targeted marketing vehicles. And, to justify the expense, advertising should be measurable.

"The savvy companies have recognized that businesses need to measure advertising. We see the progressive companies providing the metrics. One of the secrets is knowing your target market and putting in the tools to measure results," Gee stated.

In his seminars, he actually provides 10 secrets to accomplishing marketing ROI. It is all about gaining information. He asks, "What marketing methods has our firm used? How effective have they been? One of the major historical challenges that marketing has faced is that it is not measurable."

He suggests using trackable phone numbers, coupons, contests, landing pages, and click through web-based advertising. The goal should be obtaining solid numbers for

every advertising medium so that marketing budgets can be spent most effectively. When you have determined what mediums are most successful and are bringing in the most new customers, customer loyalty programs should be a priority.

Gee noted, "The classic mistake that companies make is that once they have a customer, they forget about him, and focus on getting new customers. The analogy I use is that a lot of people watch the front door and miss the customers that are going out the back."

He advises businesses to maximize the lifetime revenue of a customer with programs that reward them. You should know what your competitors are offering so that you don't lose customers to a better deal. Ask your customers what type of offers makes them want to purchase, and what they want from a loyalty program.

Gee says that it's important to develop control. The days of casting marketing resources into the wind with expectations of magical results are over. The challenge is to design a measurable, integrated program that maximizes dollars and then keeps the customers that are obtained.

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