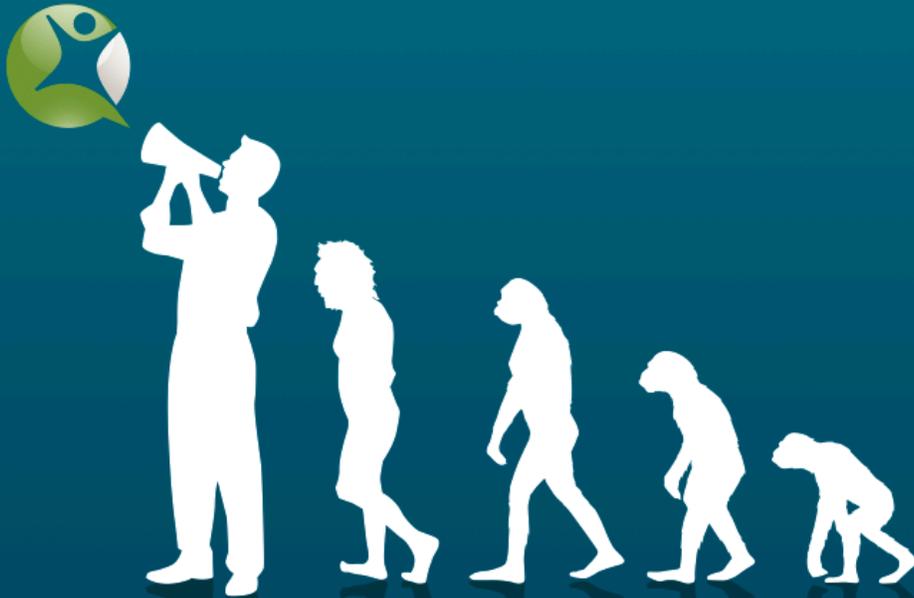from AUDIENCE to
EVANGELIST

Changing Your Lifecycle Email Marketing Game

Introduction

Market research firm Jupiter Research (now a part of Forrester Research) released a startling statistic in 2008 about lifecycle marketing: **companies that engage in lifecycle marketing as a strategy reap up to 9x more value from their marketing efforts than companies that do not**. The question that many marketing professionals face, however, is what is lifecycle marketing to begin with, and how do you take advantage of it? In this book, we're going to explore some of the different models and strategies around lifecycle marketing, then examine how to implement it using your email marketing program to drive maximum gain for your marketing efforts.

Lifecycle marketing goes by many different names, from nurture campaigns to auto-response campaigns, but these definitions and ideas are too shallow, too narrow. Lifecycle marketing in the broadest sense is about providing value to current and prospective customers from the moment they become aware of you and start interacting with you until the moment they cease to be customers. We've written this book from this grander, larger perspective to give you an idea, a sense, of how lifecycle marketing works.

Many of the examples in this book revolve around email marketing, of course, but it's important to acknowledge that email marketing does not exist in a vacuum. Email marketing alone cannot power your lifecycle marketing. Your email marketing strategy, however, will work wonderfully and give powerful returns when combined with organic search marketing, social media, and all of the other channels you use to be findable by prospective customers when they are looking for a solution to their problems.

With that, let's first start by exploring some of the lifecycle models and frameworks available to you.

CHAPTER ONE

Models of Lifecycle Marketing

Introduction to Lifecycle Frameworks

Describing how customers make purchasing choices is a science as old as commerce itself. From the earliest days of barkers at the community bazaar to the current digital age, businesses have been looking for a way to boost sales and growth any way they can. In this section, we're going to examine five different models of understanding how you can influence purchase decisions. Each of these frameworks has strengths and weaknesses that alone, can leave you with some uncomfortable gaps in your strategy.

At the end of this section, we wrap up each of the frameworks into our own 5C Enterprise Marketing Framework so that you can see how each individual framework interacts with the others for the most complete lifecycle marketing picture you can have.

The AIDA Framework

By far the oldest and most traditional model of describing how customers made decisions was created by E. St. Elmo Lewis, in 1898. Lewis proposed a very basic four part structure that is ingrained in the culture of every marketer since, the AIDA model.

- **Attention**: In the first step of the model, attract the attention of the customer. Get them to pay attention to you and what you have to offer.
- **Interest**: Raise customer interest in what you have to sell by focusing on benefits and advantages.
- **Desire**: Inspire a sense of desire in the customer to want and need your product or service.
- **Action**: Convince the customer to buy.

Lewis' framework is the oldest of any of the customer lifecycle models and marketing funnels. It accurately describes not only what the company should be aiming for, but also the emotional state of the consumer in the buying process. If you know what you should be creating in the customer, you can create content and copy that achieves these emotional states.

For the purposes of lifecycle marketing, the AIDA framework is somewhat flawed in that it stops at the point of sale, which is understandable as the industrial revolution was in its infancy in many parts of the world, disposable income was non-existent for large portions of the population, and mass communications barely existed save for the newspaper. As a result, Lewis didn't focus much on what happened after the sale, as getting someone to buy something at all was the largest obstacle to overcome. Today, of course, that's no longer true. The customer lifecycle goes far beyond purchase.

Forrester Customer Marketing Lifecycle Framework

Leading researcher Steven Noble of Forrester Research posited in 2007 that the traditional marketing funnel, based on E. St. Elmo Lewis' work, failed to take into account the customer perspective and focused too much just on the company. Their research led to the creation of the Customer Marketing Lifecycle framework.

- **Discover**: A consumer becomes aware of a need and/or a brand, some mental or emotional trigger that causes the consumer to begin the buying process.
- **Explore**: Once a consumer becomes aware of a need, they begin to explore what options are available to them through a variety of channels.
- **Buy**: The consumer makes the decision after exploring to buy the brand, product, or service that met their needs.
- **Engage**: The consumer engages with the brand and their purchase, from telling friends about their experience (positive or negative) to interacting with the brand and company directly.

The Forrester framework is intended to break companies out of the industrial marketing approach, an acknowledgement of the fact that channels, media, and consumer interactions are more diverse than ever before. In addition, Forrester emphasizes that consumer behavior is often non-linear in the digital age; someone exploring a need may bounce back to the discovery phase as their research sidetracks them to discover new brands and new needs.

Where Forrester's framework has a weak spot is that it gives companies no indication of what they need to do to be present and findable in the different stages. It's very customer-centric, which is great for the customer, but can leave marketers scratching their heads about what to do to achieve each stage.

Google Zero Moment of Truth

Google published a landmark paper called the Zero Moment of Truth, by Jim Lecinski, which posits that since the advent of the digital age, there's an additional stage to consumer behavior. Back in 2005, Proctor & Gamble coined the term "First Moment of Truth" when the consumer is standing at the point of purchase.

Procter & Gamble CEO A.G. Lafley put it this way:

The best brands consistently win two moments of truth. The first moment occurs at the store shelf, when a consumer decides whether to buy one brand or another. The second occurs at home, when she uses the brand — and is delighted, or isn't.

Google now posits a third moment of truth, the Zero Moment of Truth:

It's a new decision-making moment that takes place a hundred million times a day on mobile phones, laptops and wired devices of all kinds. It's a moment where marketing happens, where information happens, and where consumers make choices that affect the success and failure of nearly every brand in the world… ZMOT is that moment when you grab your laptop, mobile phone or some other wired device and start learning about a product or service… you're thinking about trying or buying.

The Zero Moment of Truth model looks like this:

- **Stimulus**: A consumer becomes aware of a need.
- **Zero Moment of Truth**: The consumer grabs their mobile or Internet-enabled device and begins to investigate all their options. At a certain point, they make a decision after being influenced by a variety of online sources.
- **First Moment of Truth**: At the point of purchase, the consumer makes a final purchase choice.
- **Second Moment of Truth**: After purchase, the consumer either believes they have made a good purchase or not, and feeds the digital ecosystem about their experience.

You'll notice there is a great degree of similarity between the Google ZMOT framework and the Forrester framework. Google's is focused around their core offerings, products, and services, but many of the concepts share a common origin with the Forrester framework, including its weakness of not offering guidance about what to do at each moment of truth. Besides being findable in Google's eponymous search engine, there isn't much else that's offered in order to guide companies about what to do.

Outcome Based Marketing

Back in 2010, when I first joined my previous company, we had no effective way to measure what was happening with marketing save for leads generated and put into our CRM. To bring some order to this chaos, we started looking at measuring our marketing efforts based on specific outcomes. We examined each of the stages of the AIDA model and what outcome each stage should create as a byproduct of our marketing efforts.

- **Audience**: The total number of people who are eligible to be customers of the company. For example, if you're selling college student loans, neither kindergartners nor working professionals without children are likely to turn into customers.
- **Prospects**: People in the audience who have walked into the shop, digitally or in real space. These are people who are looking around for a product or solution to fit their needs. Website visitors and walk-in traffic are examples of prospects.
- **Leads**: Prospects who have expressed an interest in our products or services and "raised their hand" by contacting us.
- **Customers**: Leads who have chosen to move ahead and make a purchase.
- **Evangelists**: Customers so delighted with the product or service and brand that they become the unpaid marketing force, sharing what we do with their friends and networks.

The most useful part of this framework was that it was metrics-based; that is, it was relatively straightforward to figure out how large an audience was or how many prospects had filled out a form. Where this particular framework ran into issues was that it wasn't always clear what activities you would need to do in order to achieve the outcomes you were measuring.

CLCM

In 2007, marketing firm Responsys created the Customer Lifecycle Campaign Model (CLCM), which focused on the verbs that a company needed to do in order to move a consumer down the marketing funnel to a customer. Here's a summary of the CLCM model:

Acquire: The process of identifying someone who is eligible to become a customer eventually and converting them into a prospect.

Convert: Once you've attracted someone's attention, you convert them to a lead.

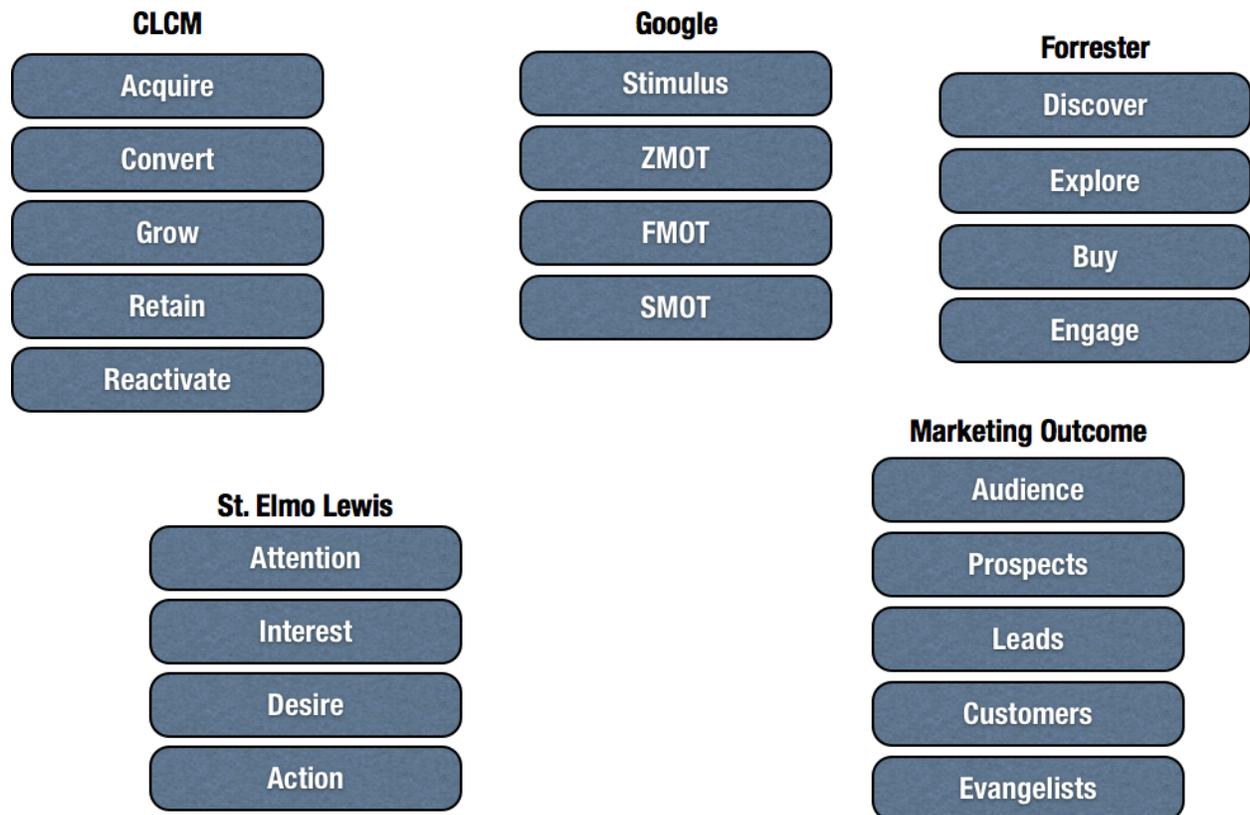**Grow**: Once you've got a lead, you have to grow them into a customer.

Retain: Once you've closed the sale, you need to retain the customer, because it's easier to keep an existing customer than win a new one.

Reactivate: Some percentage of your customers and prospects will simply stop interacting over time. Reactivating them brings them back into the fold.

This framework excels at telling businesses what they should be doing at any given stage of their marketing program. That said, its weakness is that it fails to acknowledge what the customer wants or needs. That makes it well suited to be paired with the Forrester or Google models.
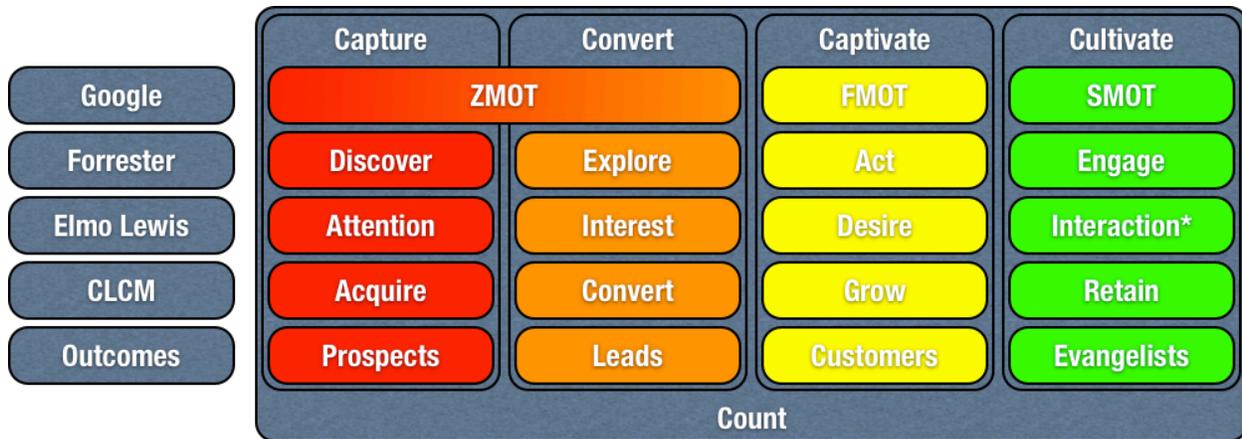
The WhatCounts 5C Enterprise Marketing Framework

Here's the challenging part of all of these different frameworks. Marketers such as yourself may read about this framework or that framework and it may feel like you're constantly doing it all wrong, no matter what strategy you choose. Well, we have some good news for you: all of these different frameworks are really describing different aspects of the same overall puzzle.

CLCM
- Acquire
- Convert
- Grow
- Retain
- Reactivate

Google
- Stimulus
- ZMOT
- FMOT
- SMOT

Forrester
- Discover
- Explore
- Buy
- Engage

St. Elmo Lewis
- Attention
- Interest
- Desire
- Action

Marketing Outcome
- Audience
- Prospects
- Leads
- Customers
- Evangelists

Think about each of the frameworks. They each represent an aspect of what's happening at any given point in the customer's decision making process leading to a purchase. CLCM tells the company what it should be doing. Google ZMOT tells us where the decision points are in the buying process. Forrester tells us what the customer is doing. AIDA tells us the emotional state of the customer. Marketing Outcome tells us what the quantifiable measurement is for each stage of the funnel.

What would it look like if we put everything together into a unified view of what's happening at any given time? It might look like this:

	Capture	Convert	Captivate	Cultivate
Google	ZMOT		FMOT	SMOT
Forrester	Discover	Explore	Act	Engage
Elmo Lewis	Attention	Interest	Desire	Interaction*
CLCM	Acquire	Convert	Grow	Retain
Outcomes	Prospects	Leads	Customers	Evangelists
	Count			

Once we have an audience, we know that we have to be engaged in the activity of **capture**. We know the customer is seeking to discover needs, brands, and ideas, we know that they're looking for something to capture their attention, we know we have to acquire them, we know we have to influence them towards a realization that we have what they need.

After someone has been captured, we engage in **conversion**. We know they're exploring many options in many different channels, looking for what interests them, what matches their needs. Conversion doesn't just mean passing a goal URL in Google Analytics - it means that you must truly have converted a consumer's mind to be amenable to hearing more from you.

Almost every sales manual of merit says that in order to get someone to buy, you have to convince their hearts and their minds will follow. **Captivate** the emotions and the rational will justify nearly any purchase in logical terms. During the captivate process, we must do more than simply insist that someone buy, buy, buy. We have to inspire desire in them, inspire want, inspire need, and make it obvious that becoming a customer is the only course of action to take.

Once someone becomes a customer, we don't want to abandon them to a toll-free number or a product warranty website. We want to **cultivate** them, to give us feedback on our products (and thus save money on expensive focus groups), to delight them by fulfilling and exceeding their expectations of what they bought, and ultimately to turn them into our evangelists.

Finally, the one thing that almost all of the frameworks leaves out: do you know **what counts**? Do you know what you're measuring, and more important, what insights your metrics should be giving you? If you don't, if you're just collecting data (or worse, not really measuring anything) then no matter what framework or model you choose, failure is inevitable.

Now that you've got a consolidated perspective of how all these different frameworks interoperate together, let's begin to look at how you might think about implementing the WhatCounts 5C Enterprise Marketing Framework.

CHAPTER TWO

Capture Your Prospects

Identifying Audience

Before you can begin the process of sales and marketing, it's vital to find out if you even have anyone to sell to. The grand, amorphous blob on nearly every marketing funnel is that broad audience. For the purposes of the 5C Framework, we define audience as the broad body of the population that is eligible to make use of your products and services. For example, if you sell chewing gum, people with dentures and fragile dental work are probably not in your audience. If you are a purveyor of fine bacon, people of Jewish and Muslim faith are probably not in your audience.

Defining your audience is the critical first step in the process. Take a look at your existing customer base and identify the top 20% of your best customers, by whatever definition fits your business best - most loyal, highest spending, longest customer, whatever criteria is most important to you. Once you've gathered up this existing customer audience, use every tool available to deeply identify them and find out what they have in common. Social networks can be a great resource for making this determination, as can several ad planning sites.

If you don't have access to rich, robust data about your best customers, you should make that a priority and in the meantime, you can develop at least a starting point for understanding with ad planning tools.

Let's look at an example of how to make a broad demographic determination using Google's Doubleclick Ad Planner software. You'll need a free Google account in order to make use of it, so be sure to have one before you begin. Start by taking your corporate website and asking Ad Planner to investigate it. Let's look at an example of an airline to see how we might identify an audience to begin our 5C Framework. Here we see the popular regional airline, Porter Airlines, and their publicly available data in Google Ad Planner.[1]
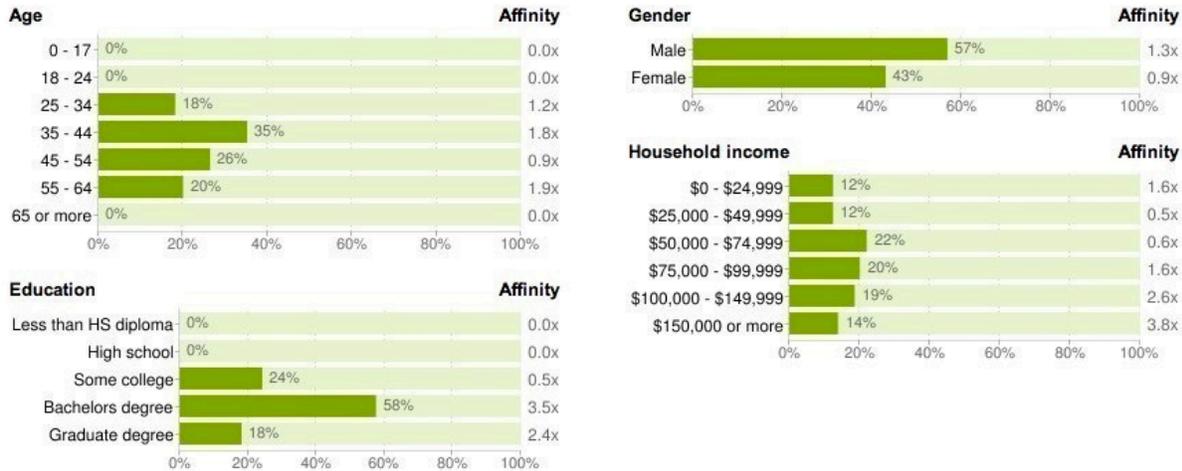
We see that Porter has a slightly more male audience, with affinities in the 35-44 age bracket and the 55-64 bracket. We see strong affinities at the upper income scale and higher education. Porter's audience, in other words, is high income, high education, middle age and older. Let's now take that demographic snapshot and feed it into the audience search to see where else the Porter audience goes.

Where else might we find the Porter audience?

	Placement	Type	Category	Comp Index	Reach	UV (users)	UV (users)	PV
☐	yahoo.com	[D]	Web Portals	97	68.4%	6.2M	190M	39B
☐	facebook.com	[D]	Social Networks	85	66.8%	6.1M	210M	290B
☐	youtube.com	[D]	Online Video	88	55.9%	5.1M	170M	33B
☐	msn.com	[D]	Web Portals	120	50.8%	4.6M	120M	7B
☐	amazon.com	[D]	Shopping Portals & Search Engines	150	41.5%	3.8M	72M	4B
☐	go.com	[D]	Web Portals	150	38.0%	3.5M	66M	4.1B
☐	linkedin.com	[D]	Social Networks	260	35.2%	3.2M	37M	1.3B
☐	live.com	[D]	Email & Messaging	95	34.9%	3.2M	99M	18B
☐	cnn.com	[D]	Broadcast & Network News	250	34.6%	3.1M	37M	1.2B
☐	bing.com	[D]	Search Engines	96	32.0%	2.9M	90M	6.5B
☐	weather.com	[D]	Weather	190	31.1%	2.8M	45M	960M
☐	bankofamerica.com	[D]	Banking	170	28.8%	2.6M	46M	2.7B
☐	ebay.com	[D]	Auctions	110	28.7%	2.6M	67M	9.4B
☐	chase.com	[D]	Banking	180	28.3%	2.6M	41M	2.7B
☐	blogspot.com	[D]	Blogging Resources & Services	130	26.1%	2.4M	54M	800M
☐	nytimes.com	[D]	Newspapers	330	26.1%	2.4M	21M	410M
☐	microsoft.com	[D]	Software	110	26.0%	2.4M	67M	790M
☐	aol.com	[D]	Web Portals	110	23.7%	2.2M	61M	5.3B
☐	huffingtonpost.com	[D]	News	190	21.6%	2M	31M	980M
☐	americanexpress.com	[D]	Credit Cards	300	19.6%	1.8M	18M	340M
☐	wellsfargo.com	[D]	Banking	150	19.6%	1.8M	34M	2.3B

Look at the destinations we've highlighted: Facebook, YouTube, LinkedIn, and Blogspot. We take note of these destinations not only for their raw popularity, but for us to access them with relative ease and low cost.

There are many other ways to develop an understanding of audience as well, but this methodology gives you a rough idea of who you're talking to, as well as who you want to be talking to. Let's next look at how to capture their attention.

Capturing Prospects

Capture relies on two core principles: first, the customer must realize and recognize a need. Second, the customer must be actively looking to fulfill that need.

There are plenty of prospective customers in the world who have needs but don't recognize them. Marketing to them requires frequently, often expensive interruption to even get them to acknowledge that they have a need. Someone may have a terrible car with poor gas mileage, no warranty, crumbling metal, and is barely passing inspection, but if they're generally content with their car, it will require tremendous effort to get them to change their point of view about their beloved clunker.

There are plenty of customers who realize they have a need but are not actively seeking to fulfill it. They may, after all, be constrained by a lack of resources (they want to buy but they can't), a lack of authority, or no clear idea of what timeframe they want to fulfill their need within. Marketing to these prospective customers is almost pointless except for staying top of mind in case the blocking conditions resolve themselves. Certainly, no amount of marketing you do with such a person is going to get them promoted to make decisions or put more money in their pockets to buy things off store shelves.

Once you've established that you have an audience in which at least some members have a need that they must fulfill, you have to go about the process of capturing their attention. In what ways can you get them to notice you, to pay attention to you, to even begin to explore what you have to offer?

The first and most obvious answer is what marketing expert Chris Brogan counsels: be there before the sale. Be there before the sale in your social community so that when people begin to ask friends and colleagues about their need, their colleagues respond with you in mind. Be there before the sale in search results so that someone looking for exactly the solutions you provide finds you and believes that you will fulfill their need. Be there before the sale with outbound marketing campaigns such as email marketing that provide continuous top of mind awareness. That way, you've got their attention by simply being a part of their community. You may not reap an immediate sale, but when the time comes for that customer to awaken in themselves their need and willingness to fulfill it, you'll be present and ready to help with very little additional effort.

Attention Getting

Attention is one of the scarcest commodities available today to marketers. Social

networks have transformed long web browsing sessions into hit and run scans, while gamification and other marketing gimmicks seek to replace deliberation and thinking with fast-twitch decision making reminiscent of a first person shooter arcade game. On any given day, the average consumer is faced with over 5,000 commercial messages. Breaking through that clutter requires you to change the way you think about capturing audience.

One tactic we recommend to digital marketers is the use of an interstitial pop-up on your website to catch the hit and run "quick read" visitor. The attention of that visitor can be measured in seconds, so in order to get them to take any action, your call to action must be bold. Here's ours, from the WhatCounts website:

Do bold callouts like this work? Unquestionably. One WhatCounts customer (who requested to have his business name withheld for competitive reasons) said that within a day of installing a popup on his site at our recommendation, his email list subscriptions tripled, which flowed directly into bottom-line revenue as he has a 15x ROI on his email marketing.

Ubiquity and Barrier to Entry

If you're looking to grow your email list for the purposes of driving additional business, it would seem obvious to make the signup process as easy, as obvious, and as ubiquitous as possible. Astonishingly, it takes only a few clicks around the Web to reveal just how far from reality that vision is for most marketers. Email

subscribe boxes are hidden "below the fold" or not put in emails intended to be shared. Email signup processes are convoluted or misleading.

Let's simplify everything down to this: if you cannot tell within 5 seconds of looking at your web page how to subscribe to an email list, your prospective customers will not be able to tell, either - and they'll leave, taking away the opportunity to reach out to them.

Make your subscription opportunities easy, obvious, and ubiquitous. That's how you capture attention.

Have Them At Hello

Saying hello seems like such a trivial and unimportant thing in social media, compared to the expensive and flashy marketing campaigns that you can run. It's also one of the most powerful and understated ways to capture attention. Each morning, WhatCounts says hello on the various social networks in a fashion similar to this:

@whatcounts
WhatCounts, Inc.

Good Monday morning! Lots to do, lots to see. New friend? Welcome aboard! ar.gy/wctw

24 Oct via TweetDeck ☆ Favorite ♻ Retweet ↩ Reply

This tweet, for example, leads new Twitter followers back to the WhatCounts website[2], where they are introduced to the company and what we're about. They're also given the opportunity to engage with us, subscribe to our newsletters, and more. How well does this attention capturing device work? It's netted over $3,000 in business in just a few months and captured 696 audience members to prospects - all for what's just a few minutes each day.

So you've got an audience and you've gotten their attention. Now what? Let's look at converting them from prospects to leads.

CHAPTER THREE

Convert Your Leads

Converting Prospects to Leads

The process of converting prospects to leads is the process of taking someone whose attention you have gotten and asking them to make a small commitment. The Salvation Army person with the red kettle and extremely loud bell outside of your favorite retail stores is good at getting your attention with incessant ringing, but if that attention doesn't eventually turn into a donation, it's for naught. Likewise, all of the website traffic and social media conversation is nice, but if you don't get people to step forward out of the crowd and raise their hands to begin the business development process, you're not making progress towards your business goals.

For most businesses and organizations, the process of someone becoming a lead is the first indication of intent to purchase. This can be something as mundane as putting an item in the grocery cart, signing up for a mailing list (which is where the majority of newsletter subscribers come from), or showing up at a first meeting. At that moment, the prospective customer has gone from "just looking" to "maybe buying", and it's your job to help keep them moving forward. For many transactions, both business to business and business to consumer, this is the first significant impression by communication that you'll make.

Obviously, in terms of email marketing, the moment a prospect becomes a lead is when a prospective customer presses the subscribe button (or equivalent mechanism) on your website or other digital property and joins your list. They've initiated the relationship, and it's now yours to lose.

So how do you convince them to take that giant step to raise their hand and say, yes, I'd like to begin doing business in some fashion with you? Consider this: the process of getting someone to raise their hand is in effect a miniature sale. It's the sale of an idea, of a tiny bit of commitment, of a move forward. As such, treat it like a sale.

Set Expectations

One of the most powerful things you can do to make someone feel comfortable about hitting the subscribe button is to clearly set expectations about what will happen once they do. People do not enjoy being mislead, nor do they enjoy being let down. Set proper expectations with your email marketing. Explain to people:

- What will happen when you hit subscribe
- How often you will be sending
- What will you be sending

Setting expectations is a form of insurance. If you set expectations that you'll

send email every day, then users will neither be surprised nor upset when you send email every day. Of course, that also means you have to be capable of sending email every day, so be sure that you can fulfill the expectations that you set.

Word of Mouth

As with all forms of sales, word of mouth is one of the oldest, yet most effective ways to build your customer base. Email marketing is no different. A prospective customer who hears about the value your newsletter provides from a friend is almost certainly going to sign up for it, possibly without even bothering to read what they're signing up for.

How do you create this magnetic level of word of mouth? By creating, as WhatCounts President Allen Nance says, relevant, timely, targeted, awe-inspiring emails. The easiest way to do this is to create emails that provide incredible, powerful value for your subscribers whether or not they're interested in buying. Creating an awe-inspiring email isn't easy - but it is powerful.

For example, Peter Shankman, a veteran communications and PR professional, created an email list called Help A Reporter Out,[3] or HARO. The HARO list is sent out three times a day to over 150,000 subscribers, and Peter's subscribers can't get enough of it. Why? In each email, there's a list of media inquiries on every subject matter from video games to pharmaceuticals, from plastics to stock investments. Reporters need sources to ask for stories, and hundreds of thousands of marketers and PR professionals are more than willing to respond to these inquiries in exchange for some free earned media for their companies.

How valuable is Peter's email? If he's an hour late sending an issue of HARO, he gets angry, impatient calls, emails, Tweets, and Facebook posts all asking him where the current edition is and why they don't have it in their inboxes. That's the gold standard to which you as an email marketer must aspire to: when you don't send your email on time, people get mad at you because they're missing the value that you provide.

Incentive

If all else fails, offer incentives to subscribers and prospective subscribers for signing up for your emails. Incentives can be monetary or tangible goods, such as a chance at winning the shiny device of the week/month, or they can be intangible social status.

For example, one incentive used in the Marketing Over Coffee newsletter was a giveaway of 5 passes to the Inbound Marketing Summit conference. Instead of

randomly handing out passes by lottery, the show used its social sharing statistics to give the passes to the 5 subscribers who shared the newsletter the most. The results of this giveaway campaign? A 180.1% increase in reach outside of the subscriber base, with about 30% of those becoming new subscribers themselves.

As an example of an intangible incentive, I have a personal newsletter in which I feature two subscribers every month, showcasing them, their business or personal ventures, and how to follow them. The criteria for determining who gets featured is simple: whoever drives the most new clicks or eyeballs on the previous edition of the newsletter. I explicitly state this in each newsletter so that the expectations of subscribers are clear and understood. The result? 20-30% subscriber growth after each newsletter send because people are sharing with their networks in order for a chance to get visibility.

CHAPTER FOUR

Captivate Your Customers

Captivate Customers

After a lead has raised their hand and agreed to begin the process of becoming a customer, marketing's obligation is not done. In older sales and marketing frameworks, marketing's responsibility may have come to an end, but today, marketing is involved all throughout the conversion process. Our greatest contribution as marketers is to continue to provide value to the prospective customer even while sales is trying to woo them. In some cases, depending on the value of the content we share with leads, they may choose to become customers of their own accord instead of requiring persuasion from a sales professional.

How do you captivate leads, transforming them into willing buyers? The answer is deceptively simple and looks to our traditional definition of a qualified lead.

IBM once defined a qualified lead by the now-cliche acronym BANT:

- Budget: Does the lead have the resources to pay for the product?
- Authority: Does the lead have the authority to make a decision and sign on the line?
- Need: Does the lead have a need for our product or service?
- Timeframe: Does the lead have a timeframe for purchase.

A fully qualified lead would express all four characteristics. Back in its heyday before its photocopier patents expired, Xerox sales professionals were flooded with fully BANT-qualified leads all the time. The phone would ring and they'd simply take the order. Unless you have a highly sought after product or service that can't be obtained anywhere else, however, those days are gone. The harsh reality of marketing and sales in the current era, however, is that almost no leads are fully BANT-qualified.

This is where email proves its value and resilience many times over. If you're able to engage with your leads and keep providing them value and justifications for purchasing your product or services, eventually you can overcome any obstacles that prevent a lead from being BANT-qualified.

For example, if a lead doesn't have budget, that's not necessarily a permanent situation. Budgets change, times change, and resources become less or more available over time. The lead that today cannot buy may suddenly be very capable of buying at the reset of their fiscal year. By having them on a strong email marketing program that's constantly bringing them value and useful information, you will be top of mind when the budget resets at the start of their fiscal year. This is true of both businesses and consumers! Anyone who's been in the grocery store on Fridays or at the beginnings or ends of months knows that the retail aisles are

always more full just after paydays.

If a lead doesn't have authority, email marketing can be a powerful tool for overcoming a lack of authority as an obstacle. In the long term, people change jobs, positions, or projects. The intern who can't even sign for a postage stamp today could be a manager or director of marketing in as few as five years - if your email program has longevity, you will be helping them climb that ladder with valuable content. At the very least, your valuable email will get forwarded within a company to people who do have authority. Again, this applies just as well to a consumer as it does to a business. If you think there are no issues with purchase authority in the B2C market, you've never tried to sell a product to just one member of a married couple. Purchase authority is as relevant to the household as it is to the corporation. Write emails intended for more than just one member of the household.

By this point in your email marketing program, you should have established need, back in the capture and convert stages, so we'll assume that need is assured by this point in the framework.

Finally, timeframe can be one of the trickiest obstacles to overcome in the sales process. As a sales professional, you can either go old school and call, email, text, visit, and otherwise harass your leads until they buy or flee, or go new school and keep giving them things to remain present of mind. No vehicle serves this function better than email marketing. If you've got a large supply of great content such as webinars, eBooks, MP3s, or other useful knowledge, you can stay in contact with your leads and provide them value indefinitely. As a bonus, each time you provide additional value, you strengthen the implicit social debt between you and your lead. Again, this is true of both business to business and business to consumer marketing and sales. If you've ever delayed a purchase as a consumer (even if you had the resources and authority to buy it), you know this to be true. Suppose a merchant were to send you additional ideas for how to use their products or services? When you finally did make the decision to purchase, would you be more likely to purchase from someone who'd been guiding you the whole way?

Influence

What convinces someone to take action? More important, what can you do with your email marketing in order to nurture and encourage the kinds of actions that you want people to take, to captivate them? Obviously, the constant provision of value is a giant part of the puzzle, but what else could you be doing?

One of the most valuable frameworks for understanding how to influence people comes from Harvard psychologist and professor Robert Cialdini. In his

landmark work *Influence: the Science of Persuasion*[4], he details a 6 part model of influence that helps marketers form strategies to achieve the results they're after. Let's take a few moments to review his 6 principles of influence.

1. **Reciprocity**. Marketers have been leveraging the principle of reciprocity since time immemorial. We give something and create an implicit social debt to be returned - often in the form of additional transactions. Digital marketers have been using this tactic since the earliest days of the Internet, with free downloads of every kind of resource imaginable.

2. **Consistency**. We tend to be consistent with our previous behaviors. One of the classic examples of this is walking around a neighborhood collecting signatures for a petition of some project. The following week, the same people are approached for a donation for the project, and giving increases significantly both in terms of participation rate and donation size compared to just asking for a donation alone. Why? We want to be consistent with our previous behaviors. If we sign a petition, we want to remain consistent with that behavior and will donate to do so.

3. **Social proof**. We as human beings tend to do what we see others do. We tend to believe in things that we see other people believing in. We tend, especially in times or situations of uncertainty, to look to others for what we should be doing. Marketing has never been more powerful at social proof than in the digital age, when social proof can be integrated into everything we do.

4. **Authority**. People tend to obey authority figures, especially when uncertain. We will even create authority figures when none are present. Becoming an authority figure, especially in new areas or areas where matters are especially complex, is a fast way to influencing people to take the actions you want them to take.

5. **Liking**. People tend to do what is asked of them by people that they like. In his book, Cialdini cites the Tupperware party as the archetype of liking. Our like of the host, who is presumably a friend or an acquaintance, transfers onto the product they are selling. Various studies have demonstrated that the likeness effect can account for multiple times returns on investment.

6. **Scarcity**. People can be influenced to take action based on perceived scarcity. The more scarce something appears, the more value is conferred on it and the more desirable it may be. Digital marketers have become quite adept at generating the perception of scarcity, from daily deals and coupon sites to limited quantity sales.

How does an email marketer make use of this framework?

Reciprocity. Offer your subscribers something of value. This may be content, or it may be a material good or service. Whatever it is, Cialdini's version of reciprocity does not necessarily enforce a quid pro quo. Give, and then ask after you've gained influence. Of all the techniques, internet marketers tend to make use of this the most, such as with things like this book.

Consistency. Think about how you can use behavioral consistencies – subscribing to an email, taking a poll or survey, etc. – to create a behavior and then use a followup campaign to elicit the response you seek. You've already got one consistency transaction in place: the reader of your emails has subscribed to your list. Reinforce that with additional demonstrations of the need for consistency. For example, if someone has liked you on Facebook and subscribed to your newsletter list, you've now got two interactions where their behavior has been consistent.

Social proof. Tools like Forward to a Friend and Share With Your Network, combined with other social media outlets, can radically change your email marketing. Email is mentally considered a private communication between two parties (even when it's clearly a newsletter), but having other people sharing it and talking about it provides very public social proof that your email marketing has value. Encourage and incentivize your subscribers to share as much as possible.

Authority. Presumably people subscribe to your email newsletters because you have some degree of knowledge and authority, enough credibility for people to want to read what you have to say. Provide people with the tools they need to become authorities in their own social circles and your email marketing will be unstoppable. For example, Peter Shankman's Help a Reporter allowed PR and marketing professionals to have free access to journalism inquiries that they otherwise wouldn't have received. Not only was Shankman an authority on PR, but he empowered each of his subscribers to become authorities in their respective companies, creating press and earned media opportunities seemingly out of thin air.

Likeness. How well do you know your audience? For good or ill, we are easily persuaded by people who are like us, or are people we like. Again, tools like Share With Your Network allow email marketers to reach prospects who are social friends – like people – of subscribers. More broadly, think about the imagery in your email marketing and whether it's aligned to your audience. If your marketing data indicates that your audience is largely Hispanic, having content and imagery focused on Swedish personas will simply not resonate. If your email doesn't come from a person or persona at your company, think about creating one (or several) aligned to your audience to create likeness.

Scarcity. Whatever you have to offer, there's a way to make it scarce. It could be
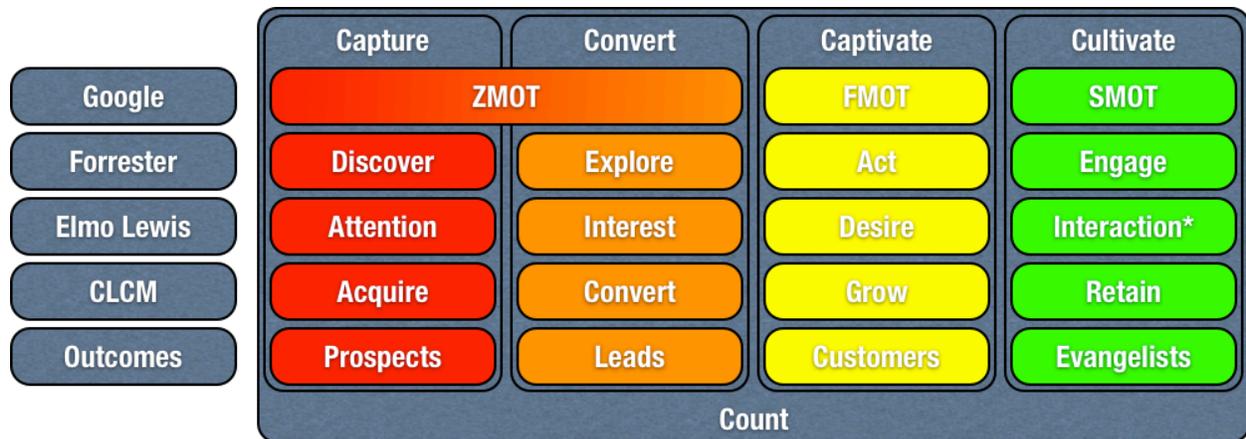
a time limited special offer, or a limited quantity. It could be your time and knowledge in a consulting capacity about a subject matter you have expertise in. Find a way to bring some scarcity to what you have to offer.

Hello, Again… and Again

One of the most powerful things you can do to keep someone engaged while you're waiting for one or more obstacles in BANT to resolve itself is an autoresponse campaign. This is nothing more than an automated series of emails sent to someone that are triggered either by the passage of time or by the behaviors of the people receiving the emails.

The first and most important part of setting up an autoresponse campaign is to determine where someone is in the lifecycle. Take the 5C model and explore how to associate different behaviors online with the stages. For example, if you can track referral URLs on your website, you can determine that someone reached your newsletter list or lead form from a page whose content is aimed more at audience, prospects, leads, customers, or evangelists.

From there, develop a series of emails that promote the behaviors you want someone to engage in at each stage. Look to the 5C model for what to create!

	Capture	Convert	Captivate	Cultivate
Google	ZMOT		FMOT	SMOT
Forrester	Discover	Explore	Act	Engage
Elmo Lewis	Attention	Interest	Desire	Interaction*
CLCM	Acquire	Convert	Grow	Retain
Outcomes	Prospects	Leads	Customers	Evangelists
		Count		

For example, if someone is a prospect in the Convert stage, send them information of value that would help them to explore their options. What would catch their interest? What would make them convert to a lead? That's the information that belongs in that stage of the autoresponse campaign.

If someone is a lead, what would make them act? What would inspire desire and want to own your product or service? Highlight other satisfied customers' testimonials or showcase different uses of your specific product or service for messages in the Captivate stage.

CHAPTER FIVE

Cultivate Your Evangelists

Cultivate Evangelists

One of the greatest deficiencies of early marketing models was the implicit assumption that once the sale was made, marketing's obligation to the customer was done. Sales and customer service would own the relationship and marketing would move on to recruiting more prospects, starting the marketing lifecycle again. Nothing could be further from the truth today, however. In today's world, the smartest marketers are leveraging the fact that delighted customers are doing the marketing for them - if you know how to create and manage a community effectively.

Creating a community of evangelists is predicated on an incredible product or service experience. A few companies can do this solely with the product experience itself, such as Apple. For the rest of the business community, our ability to differentiate ourselves in the minds of our customers is going to be easiest on the service side. Fortunately, email marketing can play a valuable role in the seeding of that community.

At the most basic level, offering features such as Forward to a Friend or Share with your Network allow subscribers to send your valuable content to their friends, which in turn can prompt additional conversation. That's just the tip of the iceberg, however. Creating an effective community involves three things: **an ideal, a leadership, and the community body as a whole**. Let's examine how email marketing can play a role in each.

The first part of the community, the **ideal**, is defined by you. It could be something as simple as a user group dedicated to making your product easier to use (or sharing more innovative ways of using it), or something as complex as a movement. Whatever the case may be, your email marketing will be the key to seeding the community and making them aware of the ideal.

The second part of the community, the **leadership**, is defined by your data. If you've been sending email to your community as a whole for any amount of time, you have mountains of data about who has opened your messages, who has clicked on links in the messages, who has converted, and who has shared your messages with their social networks. This is the starting data you need in order to identify your evangelists. Look through your data, run consolidated reports, and find out who has been the most vocal in their support of you. Look at your social media data and see who has shared, liked, followed, and retweeted/reposted about you over and over again. Then follow up with these self-identified evangelists and make them not only aware of the community, but consider making them the leaders of the community.

The third and final part of the community is the **body** of the community itself. This is the sum of your mailing list, your customer base, and your social audiences. Make sure you alert your evangelists in each community that you have access to that you have a new community focused on their needs.

Your email marketing data is an important and vital start to building your community of evangelists, but it's not enough. Consider operating a private forum for evangelists with free and low cost community software such as Vanilla Forums. Offer special incentives and opportunities to your evangelists, give them sneak peeks at what's coming down the road, and treat them well as the unpaid marketing force that they actually are.

One way to treat evangelists differently is to use dynamic content in your email marketing. If you've got a newsletter going out that has an offer in it, you can programmatically display different offers based on your knowledge of a person's evangelism of you. For example, you could offer a retail coupon for 10% off the next order to general email list subscribers, but offer 20% off for those people who have shared with their networks 5 times or more. The key with this sort of offer is to be transparent with your subscriber base. Let them know that evangelists who take the actions you want will receive better benefits. Online merchant Zagg, Inc., does this especially well:

Level	▲ FAN	▲▲ ENTHUSIAST	▲▲▲ ZEALOT
Points for level	**100**	**200**	**300**
Exclusive discounts straight to your email			
Free shipping on warranty replacements			
ZAGG eGift Card when you reach this level	$10	$25	$50
ZAGG eGift Card for your birthday every year you maintain status	$10	$25	$50

Zagg makes its fan levels explicitly clear so that you have something to work towards.

You don't need to restrict this concept of evangelism just to retail sales, however. You can even display different content based on the level of engagement or evangelism that someone has displayed. Here's an example from my newsletter. Premium subscribers see certain content that standard subscribers do not:

```
[~?Else~]

You've just missed the Premium Neat Stuff section, in which I share a powerful Twitter strategy to grow your following
with highly targeted people. To upgrade to premium content, [~SubPref~]click here to update your
profile[~EndSubPref~], then visit the [~ViewInBrowser~]web-based version to see your upgraded content.
[~EndViewInBrowser~]

[~?EndIf~]
```

By having premium content be keyed to specific behaviors, we can get more of those behaviors from subscribers, whether it's sharing with their networks, buying

more stuff, or giving us more detailed information.

CHAPTER SIX

Count Your Results

What Counts: Measurement and Metrics

When it comes to measurement and metrics, marketers are astonishingly bad at turning data into useful insights. For the purposes of measuring the effectiveness of our 5C Enterprise Marketing Framework, we can look to the outcome based marketing portion to see what counts. Each of the five stages of the WhatCounts 5C Enterprise Marketing Framework has a quantifiable output that we can measure: prospects, leads, customers, and evangelists.

What's more important than merely just obtaining raw production numbers is to look at how each stage flows into the next - and highlight cases where the flow breaks down. Let's look at an example.

Prospects	10,000
Leads	1,000
Customers	100
Evangelists	10

In this case, we see that not only do we have numbers for each stage, but we have a clear sense of progression from one stage to the next. At each stage, we see 10% of the previous stage. While we could definitely improve the results in any one stage, there's no one stage that is seriously deficient. Let's compare with another example.

Prospects	10,000
Leads	1,000
Customers	25
Evangelists	3

In this case, we see the gap between leads and customers. Prospects to leads converts at 10%, while leads to customers converts at 2.5%, then back to 10% between customers and evangelists. We can clearly understand now that the area where our marketing program is suffering is the leads to customers gap.

Knowing this, knowing how to arrange the data in order to make an insightful diagnosis, now gives us the ability to ask the question: how can we use email marketing to effectively boost the weakest area? How can we leverage our email marketing to persuade more leads to become customers?

The Bigger Picture: Multi-Channel Funnels

On August 24, 2011, Google changed the marketing analytics game, something we always appreciate, with its debut of Google Analytics multi-channel funnels. What does this mean for email marketing metrics?

One of the biggest problems that has dogged online marketers for years, even decades, is the problem of attribution. It has been assumed that the last interaction that a customer had with you was the most relevant, the most powerful, the reason that a customer did business with you. Every time we as marketers have looked at our conversion statistics, we've seen the different channels such as search, pay per click, email, and social bringing in various different conversions and have allocated time and resources according to what we saw.

Unfortunately, that assumption has been repeatedly proven incorrect, and is one

you can verify from personal direct experience. You have multiple interactions with a brand, with a company, and each of those interactions prior to the actual sale counts for something. You may see an advertisement that, in our 5C framework, stimulates the need and the discovery process. Bearing that in mind, you may research the brand via a search engine to learn more, follow the brand on Twitter, perhaps ask friends about it on Facebook, check reviews on shopping sites like Amazon, and eventually purchase something when you get an email from the brand.

In a single-touch attribution model, it would be wrongly assumed that email did all of the heavy lifting and none of the other channels contributed to the sale. As a result, we might be tempted to increase allocation of time and resources to the channels that delivered more last touches and take away resources from channels that assisted in the conversion, even if they weren't the last touch - and then wonder why sales were declining.

Multi-channel funnels is Google's attempt at broadening our perspective. Using their free Google Analytics software, we can now see more of the online interactions that lead up to the last touch and avoid discounting their contributions to our business.[5] Here's an example.

	Source	Assisted Conversions		Assisted Conversion Value	Last Interaction Conversions	Last Interaction Conversion Value	Assisted / Last Interaction Conversions
1.	WhatCountsEmail	61		$26,017.72	135	$57,580.20	0.45
2.	google	41		$17,487.32	44	$18,766.88	0.93
3.	(direct)	26		$11,089.52	46	$19,619.92	0.57
4.	whatcounts.com	26		$11,089.52	22	$9,383.44	1.18
5.	General Use	24		$10,236.48	12	$5,118.24	2.00
6.	feedburner	15		$6,397.80	6	$2,559.12	2.50
7.	TweetDeck	14		$5,971.28	4	$1,706.08	3.50
8.	t.co	12		$5,118.24	3	$1,279.56	4.00
9.	website	12		$5,118.24	23	$9,809.96	0.52
10.	blog.blueskyfactory.com	5		$2,132.60	4	$1,706.08	1.25

Secondary dimension: Select... | advanced View: 1 - 10 of 36

We see all of the standard last touches here, from email to search to social media. What we also see that we've not seen in the past as marketers is the assisted conversion value. In the example above, look at line 8. Twitter, via its t.co referrer, was responsible for 3 last interactions, worth about $1,200. In the old days, we'd say that Twitter wasn't worth very much, especially compared to things like email marketing, and thus we might suggest that Twitter wasn't worth using as a channel.

Now we see that in fact, Twitter was responsible for 4 times as many assisted conversions as it was responsible for last touches. Instead of being worth $1,200, it's worth closer to $7,300 in sales. That's a significant increase in its overall value, and what's more, the $5,100 in assisted sales may never have happened if Twitter

had not been involved. Even though it wasn't the last touch, it played an important role in bringing in revenue.
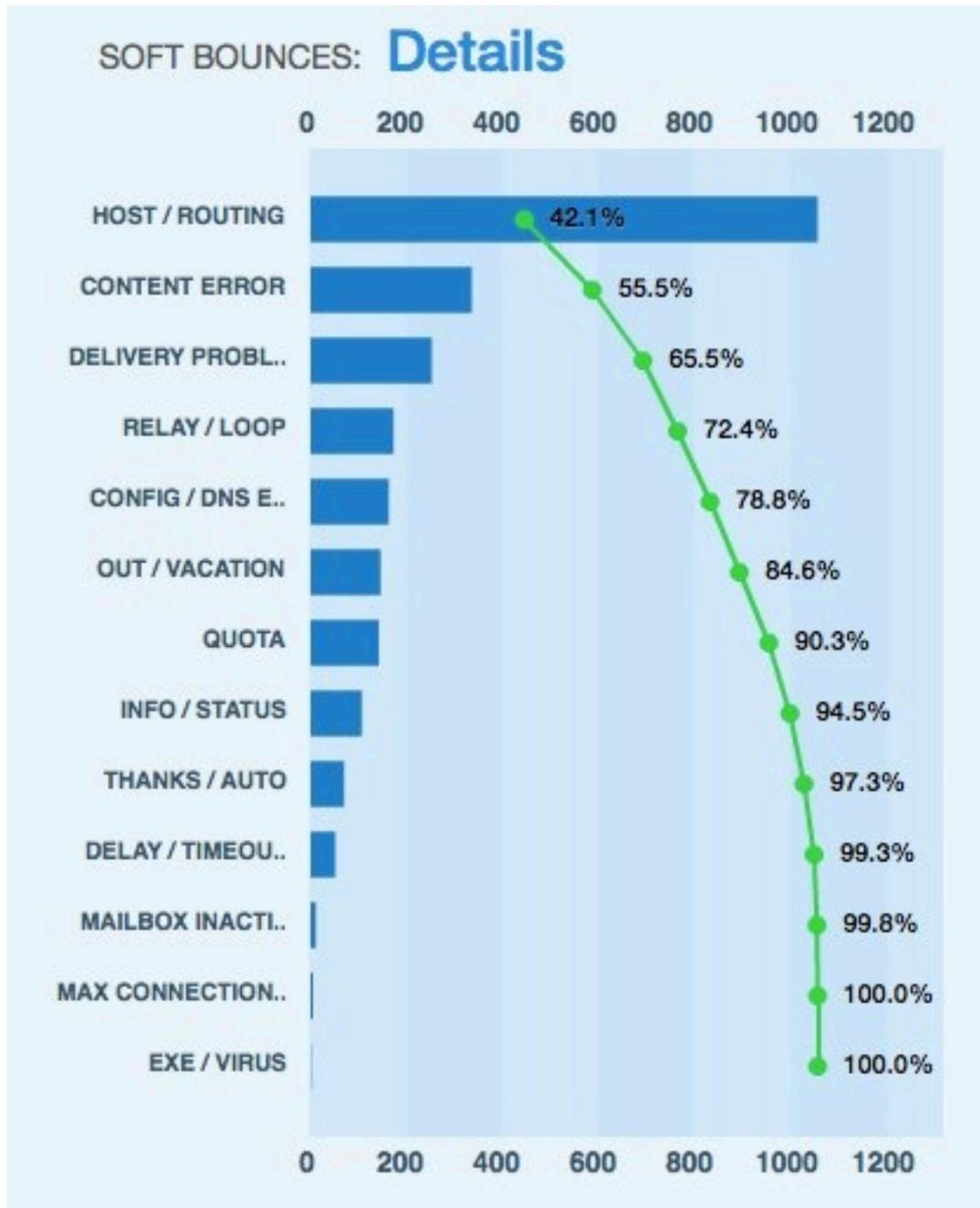
For email marketing, look at the top conversion data in the example above. Email certainly pushed a tremendous amount of conversion on its own, but it also brought in 45% more sales with assisted conversions where it wasn't the final touchpoint. If you're attempting to calculate the value, the ROI of your email marketing, assisted conversions are an absolutely vital piece of the puzzle.

What Doesn't Count

If there's one thing more important than analytics that matter, it's analytics that don't matter. We are afloat in more data than ever before. We've got more dashboards, more metrics, more analytics, more measures, more tools, more everything - but not more insight. If there's one caution we want to convey to you, it's to beware of what doesn't count.

Here's what doesn't count: **anything not in the path of your desired outcomes**. At the end of the day, you have to have an outcome that matters. It might be sales, leads, or some other marketing metric, but if it doesn't contribute to the endgame output of your marketing department, you shouldn't bother measuring it.

For example, here's a report from our platform that details your soft bounces. Soft bounces are transitory errors in delivery such as someone being out of the office.

SOFT BOUNCES: **Details**

Category	%
HOST / ROUTING	42.1%
CONTENT ERROR	55.5%
DELIVERY PROBL..	65.5%
RELAY / LOOP	72.4%
CONFIG / DNS E..	78.8%
OUT / VACATION	84.6%
QUOTA	90.3%
INFO / STATUS	94.5%
THANKS / AUTO	97.3%
DELAY / TIMEOU..	99.3%
MAILBOX INACTI..	99.8%
MAX CONNECTION..	100.0%
EXE / VIRUS	100.0%

While this is a very attractive chart and something that a systems engineer would find useful, it's not terribly helpful for your average marketing, and soft bounces are thoroughly non-relevant to your email marketing outcomes.

Do your best to weed out as many metrics and reports as you can from your email marketing workflow. Focus on the lifecycle metrics, the ones that fit the frameworks we've discussed in this paper, and you'll be paying attention to what

counts.

Conclusion

We hope this book has been helpful and useful to you in understanding the various ways to explore and implement lifecycle email marketing using a variety of frameworks. No matter what framework you choose to hang your hat on, the greatest challenge is executing on each step fully and making the most of the audience you have.

Email marketing remains one of the most powerful sales and marketing tools you have at your disposal. Pick a framework, set out your goals, and then start marketing! If you'd like more information about how WhatCounts can help you implement the 5C Enterprise Marketing Framework at your business, please contact us at www.WhatCounts.com or call us toll-free at 866-804-0076.

About WhatCounts

WhatCounts, a private email marketing company founded in 2000, has a presence on four continents with email being delivered in over 35 languages. Over the last decade, WhatCounts has partnered with many of the world's leading organizations to drive successful email marketing programs by delivering the only robust lifecycle email marketing platform in the world that can be deployed as a

SaaS (software-as-a-service), a Broadcaster (appliance in a remote datacenter), or as a Managed Service (a dedicated system hosted in our datacenters). We serve hundreds of customers ranging from small businesses to some of the largest Fortune 50 companies sending billions of messages per year.

Our clients have come to rely on our dedicated account model that ensures that they always interact with a knowledgeable team. Through our campaign production services, our team designs, builds, optimizes, tests, deploys, and monitors millions of targeted email marketing programs through a full-service framework, allowing our clients to outsource the entire process. As a technology innovator, WhatCounts has always been on the leading edge of the email marketing industry. Product differentiators include fully integrated social media and fully supported video-enhanced email. We are proudest of the return on investment realized by our customers with some customers realizing over $200 in email-driven revenue for every $1 of investment.

Find out more at www.WhatCounts.com or by calling toll-free 866-804-0076. You can also find WhatCounts on Twitter @whatcounts and on Facebook at facebook.com/whatcountsemail.

About the Author

Christopher S. Penn has been featured as a recognized authority in many books, publications such as the Wall Street Journal, Washington Post, New York Times, BusinessWeek and US News & World Report, and television networks such as PBS, CNN, CNBC, Fox News, and ABC News for his leadership in new media and marketing. He has been called upon for expert information by researchers for the Congressional Advisory Committee on Student Financial Aid, the Federal Bureau of Investigation, the US Department of Health and Human Services, and many other state and federal agencies.

Mr. Penn has spoken before diverse audiences ranging from executives of major venture capital firms, to multiple state and federal agencies, to aspiring college students looking to make their mark on the world. Each of his talks is tailored to the audience's needs and level of understanding, with a focus on giving audiences down to earth understanding of new media and practical tools & advice they can use immediately.

Mr. Penn is the Director of Inbound Marketing at WhatCounts, an email marketing company based in Atlanta, as well as co-founder of the groundbreaking PodCamp New Media Community Conference, and co-host of the Marketing Over Coffee marketing podcast. He is an adjunct professor of Internet marketing and the lead subject matter expert and professor of Advanced Social Media at the University of San Francisco. He's also the author of Marketing White Belt: Basics for the Digital Marketer.

Mr. Penn holds a Bachelor's degree in Political Science from Franklin & Marshall College and a Master's degree in Information Systems from Boston University's School of Management.

Learn more about him at http://ChristopherSPenn.com, and find him online at @cspenn on Twitter, http://facebook.com/christopherspenn, and many other places.

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[1] Disclosure: WhatCounts does not have an existing business relationship at the time of writing with Porter Airlines. No data was provided or used that was not publicly available through existing tools and accounts.

[2] http://ar.gy/wctw

[3] http://www.helpareporter.com

[4] http://amzn.to/rp45AV

[5] For a more detailed tutorial on configured multi-channel funnels for email, please see this blog post:

http://www.whatcounts.com/2011/08/multi-channel-funnels-show-the-power-of-

emailsocial/