

Managing Multi-Channel Marketing to Increase Customer Acquisition



A White Paper for business owners and marketers seeking to maximize customer acquisition and sales through multi-channel marketing.



By Wade Sisson, Director of Marketing, PartnerCentric
Visit us online at www.partnercentric.com.

EXECUTIVE SUMMARY

By 2012, 50% of customers will be using multiple channels - including retail stores, land line or mobile phones, catalogs and websites - for shopping and buying. Businesses that effectively manage multi-channeling marketing will gain customers who are 25 to 50% more profitable than single-channel customers.

Multi-channel marketing is nothing new - although it's certainly getting a lot of attention as the big buzzword of 2010. Multi-channel marketing is something we've been talking about for years in affiliate marketing. Our words for it were different - we traditionally refer to the marketing mix or media mix - but the meaning is the same.

When we take about multi-channel, we're talking about reaching your customers at different times in different ways through a variety of media - ranging from radio spots, TV advertising, print ads and online advertising.

Success in multi-channel marketing means that your brand becomes the customer's first choice when it's time to buy.

In order to effectively implement a multi-channel marketing strategy, you must first understand why this form of marketing has come to prominence.

For most of the 20th Century, consumerism was product-based. A company made products and found customers. Now, all of the power has shifted from the product makers to the consumers, and all advertising is based on the need to build customer relationships to drive sales.

This is, coincidentally, a reason why affiliate and performance marketing has risen to promise - because companies need to leverage the expertise of affiliate program managers and affiliates, both of whom are experts at building customer relationships.

As the need to build customer relationships increases, so has the competition for those customers, which means the cost of new customer acquisition has soared, especially when the customer has the potential for a high lifetime value, as in the higher education or insurance sectors.

So, the need for effective multi-channel marketing more important than ever. At the same time that businesses are looking to build relationships with new customers, the customers are experiencing an increased choice of media options for shopping and purchasing - TV, radio, print, online, in-store, etc.

Choices are greater, and so are customer preferences about how they'll receive product pitches. CAN-SPAM legislation and the national Do Not Call Registry have taught marketers that there are limits and rules regarding how they reach out to consumers.



Personalization is key

With the intense competition among marketers to reach new customers, and the increased number of media channels available to us, it's no wonder customers feel that they are under siege. The effectiveness of messaging today is absolutely dependent on the level of personalization. The more personalized a message, the more effective it will be in attracting and retaining the customer's attention.

Consistency matters

Another key to success in multi-channel marketing is consistency. Whether your customers reach you via radio, TV, print, an online banner or social media post, the message and imagery needs to be consistent. When you hit multiple channels with a consistent (and persistent) message, your success rate will increase exponentially.

Cannibalization by Channel?

While many business owners fear that one channel will take business away from another, as in our affiliate program is stealing customers from the catalog, the truth is that customers who interact with your company over multiple channels are more loyal and profitable than single-channel customers. The key is to understand your customers well enough to reach them in their channel of choice.

Key Strategies

Get customers to opt-in to the message. You are in a much better position to market your message and product directly to customers if you build and maintain your own opt-in contact list. This is about relationship-building, so how can using someone else's list ever be effective?

Remember - the customer is in charge. Take the time to identify those customers who will be most receptive to your offer and target them. Don't waste your time (or your conversion rate) on people who will ignore - or worse, be annoyed - by your message.

Personalize personalize personalize! By a ratio of 3:1, today's consumers prefer messages that are personalized in this modern impersonal world. Your conversion rate increases in direct proportion to the amount of personalization in your message.

Design marketing campaigns that leverage multiple channels in order to experience the multiplier effect when it comes to sales.