

## Alan Rosenspan's Improve Your Response Newsletter

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\* \* \* \* The Do Something Different Edition \* \* \* \*

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Dear Friends,

I just got back from a month in Australia, where I had the privilege of giving presentations in Sydney, Melbourne, Adelaide, Perth and Brisbane.

These were on behalf of Australia Post and the Australian Direct Marketing Association.

I knew I had to do something different – since I have presented in Australia (to many of the same groups) several times.

And that's the point of this newsletter.

From Pepsi Cola doing something radically different this past month to a remarkable advertisement that has haunted me for over 25 years, you'll find several ways to be different.

I'll also share a few key points from my presentation, as well as what I learned about an amazing mobile phone and web technology called QR codes.

All the best, Alan

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## **Refresh Everything**

This is Pepsi Cola's new campaign – and it's a great way to say "Do things differently."

...and they really have.

Pepsi Cola has been a major sponsor of the Super Bowl for 23 years. Remember the famous Michael Jackson commercial?

This year they dumped the Super Bowl – and over 107 million viewers – and started a new campaign called "Refresh Everything."

The campaign consists of print and online advertising that asks people to suggest charitable ideas, or nominate community groups.

They are then invited to vote on each idea – and Pepsi will donate from \$5,000 to \$250,000 to every winning idea. (The campaign ends on March 31<sup>st</sup> if you want to vote)

As of this writing, the top vote getter was "Send Girl Scout cookies to our troops overseas."

Why is Pepsi doing this – and how will it affect their sales? Research done in 2008 found that 79% of consumers would switch to a brand associated with a good cause.

And Pepsi seems pleased by the initial results. According to Laura Hobart, CMO of Pepsi North America:

"This is such a fundamental change from anything we've done in the past. We explored different launch plans, and the Super Bowl just wasn't the right venue, because we're really trying to spark a full-year movement from the ground up. The plan is to have much more two-way dialogue with our customers."

By the way, if you don't have a way for customers and prospects to have a dialogue with your company – and not just to buy stuff – you're missing an important opportunity.

And you don't have to give away a fortune like Pepsi. It's easy enough to host a discussion center on your website, or to start a comments blog .

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## **Photo Magic**

What's the best way to get people to your website? It may be through their mobile phone.

In 2006, The eMarketing Association predicted that "Mobile phones will evolve as the Swiss army knife of media."

An exciting technology is helping this come true – and it's already being used extensively in Japan and Australia and now being tested in San Francisco.

It's called QR Codes – small, square designs that act like barcodes that you can scan with your mobile phone's camera.

When you snap a photo of the QR Code, it causes your phone's browser to launch and direct it to the website embedded in the code.

So if you're reading an advertisement about traveling to Australia, you can simply click a photo and immediately be taken to a website that shows you flight details and availability.

You can print a QR code on a magazine ad, a sign, a business card or direct mail piece.

They've even been used on giant billboards – but you really shouldn't be taking photos while you're driving.

QR Codes were originally developed by Japanese carmakers to keep track of thousands of specific parts. But there are so many fascinating applications.

For example, a tourism company is placing QR Codes onto signs at tourist locations, bringing up a 15 to 20-second audio snippet of what you're looking at.

SMS and other mobile phone applications represent an important and rapidly growing direct marketing media in many parts of the world. It might be something different that's worth looking at for your company.

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## **Innovation Strikes Gold**

I just finished a remarkable book called *Exploiting Chaos. 150 Ways to Spark Innovation in Times of Change.*

In it, author Jeremy Gutsche tells the story of Goldcorp, the gold mining company headquartered in Vancouver, Canada.

With the price of gold being what it is today – they're doing great. But that wasn't always the case.

The company owned a great deal of undeveloped properties, including one in Northern Ontario, now known as the Red Lake Complex.

For several years, they struggled to find ways to get out the gold they knew was right there. And then CEO Rob MacEwen had a brainstorm.

Goldcorp had extensive geological data on their Red Lake Property, which was jealously guarded from competitors and even the general public.

MacEwen decided to take a risk – and publish the data. He then offered \$575,000 in prize money to anyone who could come up with a strategy to extract the hidden gold.

He scored a landmine of new ideas – a total of 110 new strategies emerged.

But they didn't come just from geologists – they came from students, professors, chemists, military officers, even the general public.

As MacEwen said, "We had applied math, advanced physics, intelligent systems, computer graphics...these were capabilities I had never seen before in the industry."

Did it work? *Did it ever* - The new strategies led Goldcorp to unearth 8 million ounces of gold, turning the Red Lake Complex into one of the world's highest-grade and lowest-cost gold producing operations.

Today, the \$100 million dollar company is worth over \$19 billion.

Albert Einstein described insanity as "doing the same thing over and over again and expecting different results."

In times like these, you have to do something different...*even radically different*...to succeed.

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## **Do The Wave**

You would never consider one TV spot – even on the Super Bowl – to be a campaign. It's just a single effort.

Yet most companies consider that a single direct mail package or e-mail is a "campaign."

You need to think differently.

Direct mail is always more effective when followed up by e-mail, telemarketing (when possible) or even more direct mail.

In general, you want to send a wave of multiple messages as close to each other as possible. Because no one remembers what they received in the mail two weeks ago, or maybe even last week.

Sometimes, companies make the mistake of waiting to scrub the data and remove the responders before they send out the 2nd or 3rd wave.

You don't have to delay your mailing because of this. You can simply add "P.S. If you have already responded to this valuable offer - congratulations. If not, you still have the opportunity." Or something like that.

So I would suggest you send the three mailings or e-mails no more than a week apart.

You might also consider sending all three packages within the same week. This is typically done to generate (extreme) awareness of a company or a product within a short time.

I've done this with New England Funds, and also with W.A. Wilde. All three mailings had a similar look and theme. Both were successful campaigns.

You may want to test this idea by sending the same direct mail package out twice - and just adding "2<sup>nd</sup> Notice" to the follow-up envelope.

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## **Get a 2<sup>nd</sup> Life**

Twice a year, Intel hosts an Embedded Channel Conference.

It includes keynote speeches and presentations, new product demonstrations and of course, a lot of relationship-building and networking.

The cost of \$300,000 is judged well worth it - because the conference attracts 150 key employees and business partners.

Last year, with the poor economy, Intel decided to cut back - but before simply canceling, they looked for a way to deliver the same content and interaction *without* the huge expense.

The answer was holding a virtual conference in *Second Life*.

Intel advised potential attendees beforehand, and presented the virtual conference as a benefit.

"We understand that time and money are scarce resources, especially right now. With this as a growing concern, Intel's virtual trade show promises greater access to more information at no cost to you.

You'll have:

- Simple, one-click access to industry-leading speakers & technologies
- The freedom to view the information you want on your own schedule
- Downloadable information you can save and review at your convenience
- No travel expenses or lost productivity"

The virtual conference was a real-world success. It cost a little more than 10% of the original \$300,000 budget (not including saved travel expenses.)

And the conference evolved into an ongoing Resource Center, where customers and employees could download videos, white papers, keynotes and courses months later.

"We wanted a face-to-face conference. Second Life gave us the ability to "meet" our customers, face-to-computer...the cost savings are immense." said Elaine Cook Intel Events Manager.

The other benefit was that this was Intel's greenest, most carbon-friendly conference ever.

To read more about it, simply bring your entire team to my office in Sharon, Massachusetts or simply visit:  
[http://secondlifegrid.net.s3.amazonaws.com/docs/Second\\_Life\\_Case\\_Intel\\_EN.pdf](http://secondlifegrid.net.s3.amazonaws.com/docs/Second_Life_Case_Intel_EN.pdf)

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## What's in a Name?

As in most things – Shakespeare said it first. In *Romeo and Juliet*, Juliet asks:

"What's in a name? That which we call a rose, by any other name, would smell as sweet."

But he may have been *wrong*. How you name things can have a big impact on response and sales.

Studies at several universities have revealed that attractive or interesting names can change perceptions and behaviors.

For example, four year olds were served "carrots" one day and "X-Ray Vision Carrots" the next.

They ate twice as much of the super-powered carrots, even though they were exactly the same.

Kid stuff? Not really. It also works on sophisticated adults like you and me.

How much would you pay for a CD player?

How much more would you pay for a "Home Entertainment Center?"

And in restaurants, the studies found that people preferred the "Succulent Italian Seafood Filet" to the simple "Seafood Filet."

My advice is to take the menu of your products and services – and start thinking of more creative and enticing names for them.

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## Bravo for BoysTown

While in Australia, I attended a presentation by Dominic Taylor, Fundraising Strategy Manager for BoysTown.

Dominic has been able to significantly increase donations by doing a couple of things differently.

1. BoysTown has started naming campaigns. (See above) So instead of simply asking for money, they have created themed campaigns such as their "From the Heart" Appeal.

This naming encourages people to give more often – since they are giving to different programs.

2. They have started using shorter letters to their most frequent donors. Their rationale is that these people know BoysTown – they don't need to re-sell them on the whole concept. They just need to remind them that it's time for them to donate again.

Plus people just don't read as much anymore.

To understate the point, *The Onion* – an online humorous newsletter – just ran the following top story:

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### **Nation Shudders at Large Block of Uninterrupted Text**

WASHINGTON – Without an illustration, chart or embedded YouTube video to ease them in, millions of dumbfounded citizens from Maine to California were frozen in place, terrified by the sight of one long, unbroken string of English words unsure what to do next.

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By the way, I don't think shorter letters would work with soliciting new donors – but it's apparently working with this group, and may be worth testing.

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## **Make Your Marketing Dollars Work Harder**

You're probably working harder than ever before – *so should your marketing.*

That's why my presentations in Australia focused on improving the return-on-investment from direct marketing.

A couple of key points I want to share with you:

- Measuring what you do is essential. It's not just a scorecard. It can help you predict the future. It can show you how and where to invest your efforts going forward.
- The value of a customer should drive every decision you make in direct marketing – from media selection to offer value to the cost of each direct mail or fulfillment package.

The example I used was a mailing I did for a software company some years ago. The client insisted we do flat mail – nothing dimensional – because of budget constraints.

I created five different concepts for her, which she liked, and then presented a box.

"Why are you even showing me this?" the client asked, "I told you we couldn't afford it!"

"How much is one customer worth?" I asked. She said, "Um...could be \$60,000 to over \$100,000."

"So let me get this straight," I continued. "If the box mailing helps us create *just one more customer*....it would pay for the entire campaign, right?"

She got it immediately, we did the box, and it was one of the most successful mailings they ever did.

- Most companies spend far too much money prospecting and too little on their existing customers. Their mentality seems to be "they'll buy from us, anyway."

This can be a mistake. In most businesses, your existing customers represent your best source of future revenue. They are *five times* as likely to purchase from you than a new prospect.

You can find more information on Australia Post's website – as well as an article at the following URL:  
[http://www1.auspost.com.au/priority/index.asp?area=features&article\\_id=907&issue\\_id=43](http://www1.auspost.com.au/priority/index.asp?area=features&article_id=907&issue_id=43)

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## Portfolio Review I

In my career, I must have reviewed over 1,000 portfolios – which should make me a good judge of advertising, right?

*I used to think so.*

Back in my Ogilvy days, I interviewed a young woman who wanted to break into copywriting.

She had a portfolio, which she shared with a number of Creative Directors, including me.

Her work was unusual, to say the least. She had one ad for Wet Wipes (which are used to clean your hands) with the following headline:

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"Put a Sink in Your Pocket"

My reaction was immediately negative. Why would anyone want a sink in their pocket? It's a weird image.

I questioned her about it, but she was adamant that the ad was not only good – but great.

So I decided to be candid with her.

"Copywriting jobs are hard to come by," I said, "What are you planning to do if you just can't get a job with your book?"

She had no back-up plan. And so she showed her portfolio all over New York and as far as I know, never landed a job.

What's the point of the story?

I mentioned that I must have reviewed over 1,000 portfolios. That means I've seen over ten to twenty thousand ads.

And the one that I just can't get out of my mind – from over 25 years ago – is "Put a Sink in Your Pocket."

Anything you can do that's truly unusual, that stands out from other advertising or direct mail or e-mail, is probably a great place to start.

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## **Portfolio Review II**

My good friend Harry Ferner was a Creative Director in London.

He once interviewed a young man who came with a portfolio of the most famous ads ever written. They included the best work of some of the best agencies all over the world.

Harry was amused as he went through the book, and would occasionally comment, "Great ad..." or "Always loved that one..." and the young man would happily agree.

Finally, Harry asked, "Did you write all these ads?"

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The young man jumped up and said, "Oh no – these are the kind of ads I *want* to write!"

*Harry hired the guy!*

As he explained to me, "The ability to recognize a great ad is the first step in creating one."

That's a different way to get a job in advertising, but it worked.

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## **Opt out, Opt in, Opportunity**

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