callbox

SALES & MARKETING SOLUTIONS

Global Marketing Strategies for the IT Industry

WHITEPAPER

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I. THE CHALLENGE: MARKETING IT GLOBALLY

To achieve international impact, companies must be in the market at the right time, at the right place, with the right message- and this means creating a global brand marketing strategy.

IT organizations today, including SMEs, can no longer rely on the marketing strategies of the past for growth and survival. Remarkable changes in the global environment -- technological innovation, rapid diffusion of products and social responsibility are affecting the nature of threats and opportunities, as well as the competitive advantage in international markets. Market sizes, buyer behavior and marketing practices all vary, therefore international marketers must carefully evaluate all market segments in which they expect to compete.

There is more pressure than ever to improve efficiencies and IT Decision Makers and Managers need to develop appropriate marketing strategies for global expansion. Advertising, sales management, product development, pricing and distribution must be placed in an international or global perspective. As IT firms seek to consolidate its position in global markets, the ways in which resources are deployed throughout the world takes on paramount importance. To succeed, IT companies must continually evolve, adapt and respond to the changing realities of the global marketplace and how to achieve this is one of the biggest challenges that is faced by the IT industry today.

II. THE IT LANDSCAPE: SEGMENTING THE GLOBAL MARKET FOR IT PRODUCTS

Defining to whom to aim the message in the vast global IT marketplace is an analytical task.

In the last decade it has become possible to market to the other side of the world. Messages, including marketing messages, can now reach anywhere. However, it's not cost effective to market everywhere, so it's still necessary to determine the targets of the message, locate a database of those targets, and ensure the data is relatively reliable. Because the pool of potential targets now consists of most buyers in the world, millions of entities, narrowing down that list to a target market is more than ever before an analytical task.

HOW THE IT MARKET IS SEGMENTED IN ORDER TO REFINE MARKETING TARGETS

The global market for any particular industry is usually segmented in three common ways:

- location of the target company
- specific industry of the target company
- size of the target company

The intersection of these three subsets of the world's companies defines the target market segment for any particular marketing campaign.

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LOCATION

The location of the targets is determined in terms of:

- Operational reach. Can the sales process continue, conclude abroad? Can the product or service be delivered at this location? Is it cost effective to support the product/service for clients at a distance?
- Applicability of the product (concerns of language, politics, culture, regional business practices, climate, domestic industry size)

The location of the targets is specified by any or all of the following: country, state, province, city names, metropolitan type, telephone area code, postal code.

TYPE : SPECIFYING APPLICABLE TARGET INDUSTRIES

The modern industries of civilization are commonly divided into fifteen categories, and further subdivided into hundreds of increasingly specific categories. These classification systems describe the structure of a region's economy in numeric codes. That provides a quick way of referring to defined industries for government reports, economic studies, etc.

For example:

- 34 - Manufacturers of Fabricated Metal Products
- 3452 - Manufacturers of Bolts, Nuts, Screws, Rivets
- 345204 - Screw Manufacturers

There are many versions of this hierarchy of industries, but they are mostly similar, and mostly adapted from the Standard Industrial Classification system ("SIC Code") and further tailored to suit the industries of individual countries for use by their own governments.

- SIC - USA - Standard Industrial Classification "SIC code"
- NAICS - USA & Canada - North American Industry Classification System
- ISIC - UNITED NATIONS: International Standard Industrial Classification of All Economic Activities
- PSIC - Philippine Standard Industrial Classification
- JSIC - Japan Standard Industrial Classification
- SSIC - Singapore Standard Industrial Classification
- ANZSIC - Australian and New Zealand Standard Industrial Classification
- UKSIC - United Kingdom Standard Industrial Classification of Economic Activities
- NACE - Nomenclature génerale des Activités économiques dans les Communautés Européennes

NAICS is on its way to becoming the standard. But usually either, and sometimes both, SIC and NAICS are widely available by most of the large data purveyors

Companies around the world are tagged as belonging to one or several industry types, and tagged with the corresponding industry type (SIC) codes. This makes the SIC Code list an exhaustive menu of all industries. The task then is to identify a subset of all industries that may benefit from a particular product/service.

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NAICS Code	2002 NAICS description	Number of Establishments	Sales, Shipments, Receipts ($M)	Annual Payroll ($M)	Number of Employees ($M)
42	Wholesale trade	435,521	4,634,755	259,653	5.88
44-45	Retail trade	1,114,637	3,056,422	302,114	14.65
52	Finance & insurance	440,268	2,803,855	377,790	6.58
62	Health care & social assistance	704,526	1,207,300	495,846	15.05
51	Information	137,678	891,846	194,670	3.74
54	Professional, scientific, & technical services	771,305	886,801	376,090	7.24
72	Accommodation & food services	565,590	449,499	127,554	10.12
56	Administrative & support & waste management & remediation service	350,583	432,578	206,439	8.74
22	Utilities	17,103	398,907	42,418	0.66
48-49	Transportation & warehousing	199,618	382,152	115,989	3.65
53	Real estate & rental & leasing	322,815	335,588	60,223	1.95
81	Other services (except public administration)	537,576	307,049	82,955	3.48
71	Arts, entertainment, & recreation	110,313	141,904	45,169	1.85
55	Management of companies & enterprises	49,308	107,064	178,996	2.61
61	Educational services	49,319	30,691	10,164	0.43

Fig. 1 Data from US Business Census – can be drilled down to analyze detailed verticals. http://www.census.gov/econ/census07/

SIZE: COMPANY SIZE INDICATORS

The size of the targets, for IT marketing, is most commonly specified by any or all of the following: Annual revenue, Number of employees, Number of PCs, Floor Area. Fig. 1 lists totals for the major industry sectors. This data from the US Business census data website also provides number of establishments and payroll. The data on the website can also be drilled down for more specific sub-industries.

In selecting industry sectors as targets for IT marketing, the following notes may apply. If selling a site license type product, or a point-of-sale system, targets with a greater Number of Establishments might be a better market than those with higher revenue. Likewise, in marketing products with user licenses, Number of Employees might be more important. Because IT has come to envelope communication, and PC hardware has become ubiquitous, a unique property of global IT marketing, is that for many IT companies, practically every industry sector is an IT buyer. In such cases where the product applies to a wide variety of industries and sizes (for example, in marketing a scalable PC-platform VoIP PBX system) the market is so vast that the question becomes how to target for sales efficiency rather than merely targeting the qualified. That is, in a vast universe of potential buyers, it's important to target for greatest revenue per close, as well as revenue per marketing dollar.

In that case the first assumption would be to market to the sectors with the largest revenue. However, IT Marketing is different because organization size (by revenue) is a poor indicator of IT adoption and deployment.

Sector	IT budget as % of Revenue
Manufacturing	2%
Consulting/Services/IT Companies	4%
Banking/Diversified Finance	8%
Insurance	3%
Retail	2%
Transportation	2%
Utilities	2%
Health	4%

It's more important to know the size of the IT Organization within the larger company, that is, the IT Budget size. Though IT Budgets are rarely reported, it's possible to deduce useful estimates because although each industry has a different amount of demand for IT, each does have a relatively consistent rate of automation based on the needs of that industry. So it is possible to gather an average of the percentage of the total revenue allocated to the IT budget, for any industry group studied. Fig. 2 shows examples.

Fig. 2 Percent of Gross Revenue Devoted to IT Budget by Industry. Data adapted from the InformationWeek 500, published in the September 15, 2008 issue of InformationWeek, published by CMP Media, Inc.

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	2002 NAICS sector	Number of Estab-lishments	Sales, ship-ments, receipts ($M)	Annual Payroll ($M)	Number of em-ployees (M)	IT Budget as %rev	IT Budget ($M)
42	Wholesale trade	435,521	4,634,755	259,653	5.88	2%	92.70
44-45	Retail trade	1,114,637	3,056,422	302,114	14.65	2%	61.13
52	Finance & insurance	440,268	2,803,855	377,790	6.58	8%	224.31
62	Health care & social as-sistance	704,526	1,207,300	495,846	15.05	4%	48.29
51	Information Professional	137,678	891,846	194,670	3.74	4%	35.67
54	scientific, & technical services	771,305	886,801	376,090	7.24	4%	35.47
72	Accommodation & food services	565,590	449,499	127,554	10.12	2%	8.99
56	Administrative & support & waste management & remediation service	350,583	432,578	206,439	8.74	2%	8.65
22	Utilitie	17,103	398,907	42,418	0.66	2%	7.98
48-49	Transportation & warehous-ing	199,618	382,152	115,989	3.65	2%	7.64
53	Real estate & rental & leasing	322,815	335,588	60,223	1.95	2%	6.71
81	Other services (except public administration)	537,576	307,049	82,955	3.48	2%	6.14
71	Arts, entertainment, & recreation	110,313	141,904	45,169	1.85	2%	2.84
55	Management of companies & enterprises	49,308	107,064	178,996	2.61	2%	2.14
61	Educational services	49,319	30,691	10,164	0.43	2%	0.61

As might be expected, some industry types are, by their nature, larger employers or larger users of IT than others, with banking and finance companies spending on average, approximately four times more on IT than a manufacturer with equal revenue. Fig. 3 uses multipliers in Fig. 2 to illustrate a much clearer picture of the effective size of the sectors in IT buying power.

Fig. 3 Data from US Business Census – can be drilled down to analyze detailed verticals.
http://www.census.gov/econ/census07/

Using intelligent estimates is an important part of the process of global IT marketing and goes to show that defining to whom to aim the message in the vast global IT marketplace is an analytical task.

If it is necessary to know the number of PCs, and the marketing database supplies only Number of Employees, again, an intelligent estimate is far more effective than a blank. Fig. 4 illustrates as an example, this and several other relationships.

Average Number of IT Employees and PCs Deployed by Industry in U.S. Organizations Indicating 500+ Employees					
Sector	Avg # IT Employees	Avg # PCs Deployed	IT staff Per 100 Pcs	Avg Staff per PC	Avg PCs per IT Staff
Manufacturing/Service	32	743	4.3	3.0	24
Banking	159	2589	6.1	1.7	19
Diversified Finance	166	1369	12.1	1.7	13
Insurance	177	1997	8.9	1.9	12
Retail	26	475	5.5	6.8	21
Transportation	44	756	5.8	3.7	20
Utilities	148	2035	7.3	2.1	16
Education	50	2327	2.1	0.9	43
Health	35	1082	3.2	2.0	32
Federal Government	116	2468	4.7	1.7	21
State Government	81	1869	4.3	1.4	23
Local Government	43	1424	3.0	1.7	33
Other/Non-profits	16	455	3.5	2.7	28
Average			**5**		**24**

Fig. 4 Data derived from the Directory of Top Computer Executives, a database of IT departments in organizations with typically 250 or more employees.

These numbers are only estimates, but estimates based on good statistics are useful in IT marketing where it is more necessary to segment a target market. Populating a column by using a simple rule such as “5 IT staff per 100 PCs” is better than an empty column.

These measurements of size are often available:

- Annual revenue
- Number of employees
- Number of PCs
- Floor area
- IT budget (suspect)
- Number of IT employees (useful!)

These are useful for the purposes of IT marketing when narrowing in on a market segment, but ultimately what is most useful is to know the size of the IT Budget. Ironically however, the accuracy of the IT budget on any list which includes values for actual IT Budget should be suspect.

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This information is not often freely reported by the organizations themselves. Often it is not even known. Consider the source of this information for most list vendors- tele-survey. The agent calling can not usually speak to the actual decision maker, which is probably the lowest level person who is familiar with the size of the actual IT Budget. So any other answer gathered would be less accurate, perhaps even by an order of magnitude.

There is however an interesting and a good way to estimate the IT Budget to a useful degree of accuracy, by using the number of IT staff in the organization. The number of IT Staff varies directly with the IT Budget, and, it costs about the same to deploy IT regardless of industry. That is, a website, data network, or VoIP system, costs the same whether purchased by a manufacturing plant or a bank. Most companies spend about $200,000 on IT Budget, per IT employee, per year.

So if IT Budget is not known, it can be deduced through Number of IT Staff, or even indirectly, estimating first Number of IT Staff from the Number of PCs and the industry sector.

Some example rules of thumb which can be used to segment demographics and provide estimates of missing information are:

- Ratio of PCs deployed to total organization employees (1:2.4 if unknown)
- Average percent gross revenue invested into IT activities (2%-9%)
- Average IT budget dollars per IT employee (US$200k if unknown) (Doesn't vary across sectors because it costs the same to deploy IT regardless of industry.)
- Average organizational gross revenue per organization employee (US$300k if unknown, very rough.)

OBTAINING A TARGET LIST ACCORDING TO THE REFINED DEFINITION OF THE MARKET

After the location(s), market sector(s), and size(s) of the target companies are determined, a target list of companies can be factored from an in-house database (in which case the list is free). Records can also be purchased, usually at a cost per record, from several data vendors such as InfoUSA, ContactDB, OneSource, Hoovers, etc. The interfaces presented at these sites, as expected, generally use webforms to negotiate Location, Size, and Industry. Another way to obtain target records is by using a full-service marketing company. Some packages include a certain number of records along with the marketing service itself.

DATAFILL AND ACCURACY

It is most effective to obtain complete market coverage in the target markets once defined. Market presence is generally good for sales. Market presence generates referrals. Using a list with only 60% datafill rate in key columns, is a waste of either time or records. Taking the time to contact the companies with the missing data, many of which may not even qualify as a part of the target segment, would likely be an inefficient use of time. Throwing out those without key values, in order to optimize leads per target record, is not only a waste of purchased records, but also gives up possible large chucks of the otherwise well defined market segment, and amounts to a "shotgun" approach to marketing.

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Usually the best course is to use intelligent estimates based on good research to fill important empty values with approximations. Therefore the rate of datafill is an important consideration when purchasing and pricing a list, recognizing that any key missing data represents further, and perhaps very significant, preparation to be done prior to using the list.

One common practice is to buy "branded" prepackaged lists such as the Fortune 1000 list. In some circumstances these lists may be used with some confidence, but IT marketing is different. These often do not provide complete coverage in the case of IT marketing. For example, a large number of financial sector companies that do not make the Fortune 1000 list, have IT budgets far greater than the smallest manufacturer that is on the list.

Because the IT industry is so dynamic and pervasive, data freshness and accuracy are more important in IT target lists than many other sectors. IT industry data changes fast. It has been found that 25% of top IT executives change jobs each year. 6.5% of IT phone numbers change each year. 7% of IT addresses change each year. It's important to determine if the data is fresh.

A common practice to determine freshness, accuracy, and relevancy, is to obtain a sample of 100 or so records from a data vendor, and then cross check them against an in house database of known quality. ("10 free records" is not statistically useful for this purpose.)

Determining global IT marketing targets, obtaining a database of the defined targets, checking that database for quality, and then supplementing values for any lack of quality using intelligent estimates, are all important technical exercises. Defining to whom to aim the message in the vast global IT marketplace is an analytical task.

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III. CALLBOX STRATEGIES FOR IT GLOBAL MARKETING

The 3 major components of successful global IT marketing:

- Database Building and Enhancing
- Direct Marketing
- Online Marketing

Callbox Sales and Marketing Solutions addresses the concerns of IT companies that want to deliver more capabilities to businesses, deliver services faster at a lower cost and offer a high level of service quality. Having represented some of the major players in the IT industry, Callbox utilizes these three powerful marketing strategies to help IT companies reach their business goals and expand their market reach. A marketing plan that integrates database power, direct marketing and online marketing has proven to bring in faster, more qualified business leads for IT products and services.

DATABASE MARKETING

An effective direct marketing strategy starts with a stable database. Database marketing has flourished in sectors such as IT, financial services, telecommunications, and retail, all of which have the ability to generate significant amounts transaction data for millions of customers. It is particularly well-suited to companies with large numbers of customers because a large population provides greater opportunity to find segments of customers or prospects that can be communicated with in a customized manner. Most successful IT businesses today have their own large database of contacts that includes clients, past clients, prospects, alliances and suppliers which they keep up-to-date. Keeping it fresh and updated is crucial, as the variety and number of strategies that can be can utilized with it are limitless, as are the results that can be achieved from it.

Building a stable database, however, is no easy task. The target market has to be defined first, followed by gradually segmenting and building lists to be used for capturing the identified market.

Fig. 5 The direct marketing process: define, reach, capture

DEFINING THE TARGET

Who are the people looking for the products and services being offered? What information about them is needed? What channels are being used to find the particular product or service? What problems do they have that they are willing to spend money on to solve? These are the questions that must be answered. The very core of sales and marketing campaigns lies in sending the right message to the right people to get the best results so all information gathered from target market research should be analyzed accurately.

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Here are the steps to defining the target:

- Identify target industry and target region based on Product/Service and Operational Reach
- Identify target company within target industry and target region by IT budget size in order to fit potential budget to pricing of product/service
- Identify target contact Decision Maker by Department, Position Level, and Title

Consider the types of industries available, number of employees, annual sales volume, location and company stability. In addition, find out how they purchase: seasonally, locally, only in volume? Who makes the purchase decisions? More knowledge about the target market means more confidence in making sales projections so IT firms need to define exactly what types of businesses are in need of their product or service. Note that businesses, unlike individuals, buy products or services for three reasons only: to increase revenue, to maintain the status quo, or to decrease expenses. If one or more of these corporate needs are answered, a target market is identified.

BUILDING A LIST AND CAPTURING THE TARGET

The key to online marketing is building a well targeted and responsive list of contacts. This can be done in many ways, but the more popular methods are placing subscriber boxes in the website, sending valuable newsletters and emails and incentive subscriptions. Once a list is created, it should be analyzed, divided and segmented. This allows IT firms to better target the market and tailor campaigns for ongoing and future offers.

The process of building a list takes a considerable amount of time, not to mention the creation of a compelling offer. If the firm is moving into new market sectors, internal lists may not provide the information needed, thus there may be a need to assemble or acquire lists from external sources to match the desired customer profile.

In this case, an option would be to buy lists from reputable B2B list providers such as InfoUSA, Dun and Bradstreet, ContactDB, Hoovers and OneSource. They can provide comprehensive business, consumer, residential and other specialty lists for various locations and industries.

The Callbox Sales Contact Database for example, is home to thousands of IT business contacts. The lists from the database contain the following basic business information:

- Contact Name
- Phone number
- Email Address (select lists only)
- Title
- Company Name
- Address
- City, State, Zip

This information is useful for various marketing campaigns such as email marketing, direct mail and telemarketing. With a compelling offer and a catchy creative, a strong customer base can be built and sending targeted offers can be done on a regular basis.

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DIRECT MARKETING

Direct marketing is a type of advertising campaign that seeks to elicit an action, such as an order, a visit to a store or Web site, or a request for further information from a selected audience. It allows the generation of a specific response from targeted groups of customers. A direct marketing campaign can help IT firms achieve the following key objectives: increase sales, build customer loyalty and generate new business.

Direct marketing vehicles include postcard printing projects, mailings of letters and parcels, newsletters, as well as direct response advertising which compels readers to respond to the message. Companies that specialize in direct marketing can tailor a direct marketing package for IT organizations which involves a combination of these strategies:

Fig. 6 Direct Marketing strategies to reach the target market

DIRECT MAIL

Direct Mail is one of the few media channels that give businesses the ability to track the success of a campaign easily. It's as simple as counting the inquiries received or counting the number of coupons redeemed. By tracking and analyzing results from direct mailing efforts, IT companies can see what really works and can easily make adjustments to future mailings. From letters to postcards to brochures, a direct mail company such as Callbox can give a large variety of inexpensive and easy formats that can be used for a direct mail campaign.

Some of the direct mailing pieces Callbox can design and mail for IT companies include:

- Brochures
- Data Sheets
- Flyers
- Invitations
- Mailers/Marketing Letters
- Postcards
- Self-mailers

Direct mail is targeted and personal -- allowing IT companies to physically place the message in the customers' hands and encourage action. With an attractive marketing piece and engaging content, IT firms are able to isolate their marketing dollars to high-probability prospects and avoid wasting money on those that are likely to be uninterested.

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EMAIL MARKETING

Utilizing email for marketing is a convenient and powerful way to reach prospects and clients. More IT organizations resort to email marketing for fast delivery and results today because unlike other campaigns, emailing reaches customers almost immediately and gets responses right away. With email marketing, IT organizations can promote products and services quickly and effectively and at the same time reach thousands of internet users. Firms that specialize in email marketing provide a variety of services. Callbox, for example, offers these:

- Email Copy Writing and Email Template Design
- List Hygiene
- Email Database management
- List Segmentation
- Personalization
- Results Tracking

An email marketing company can create fully customized email templates and can even write content tailored to the target market. It can also track data to accurately measure email promotion success -- this is perhaps the most important part of the email marketing process. An email marketing service provider such as Callbox can provide the following information:

- Total emails sent and total emails bounced
- Messages successfully delivered
- Open rates
- Click through rates for each link
- Unsubscribe/opt-out requests
- Subscribe/opt-in requests

Email marketing is undoubtedly an inexpensive approach to getting new customers and building repeat business. Planned properly, this type of marketing can catapult sales to new levels.

TELEMARKETING

Although it can be an expensive channel, telemarketing can be extremely profitable when carried out effectively. Studies show that response rates for telemarketing services exceed that of any other direct marketing effort, so conversion goals are more easily achieved. A telemarketing services provider, preferably specializing in the IT industry that has highly trained telemarketers can qualify leads and set appointments for a company's sales team. Telemarketing gives immediate answers -- the company can communicate with customers right away instead of waiting for days, weeks, or even months to realize results. There are a number of benefits from telemarketing, such as:

- Generating key customer and marketplace data
- Opening a dialogue with new contacts before they've even begun the buying process
- Building brand awareness
- Testing materials and message
- Expanding business hours through the company's 24 X 7 operating schedule
- Eliminating the expense of recruiting, training and maintaining a call center staff
- Gaining access to leading edge technology and state-of-the-art equipment

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A telemarketing company not only provides IT companies with qualified leads; it also opens the opportunity to up-sell and cross-sell customers with new products and services. This allows a massive amount of database updates while also illustrating buyer behavior and major buyer objectives which are very useful for future marketing campaigns. Aside from telemarketing, other ways by which to capture one's target market include:

- Appointment Setting (by phone, email or in person)
- Event attendance
- Physical visit
- Trial of product
- Product demo

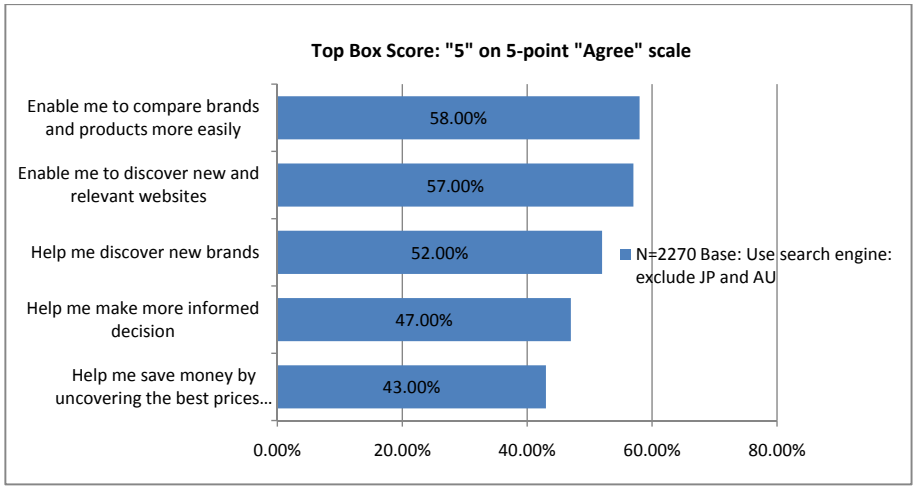
SEARCH ENGINE MARKETING

The higher a website ranks in the results of a search, the greater the chance that site will be visited by a user. IT decision makers, just like most internet users, do not usually click through pages of search results, so how high a website ranks in a search is essential for directing more traffic toward a website.

Research was conducted by Google in order to have a global understanding of the role of the Internet in IT decision-making. The study included 9 types of IT products and services, and it examined the role of online and traditional sources at each phase of the IT decision making process. It also examined the activities and criteria used in reaching a purchase decision.

ROLE OF SEARCH ENGINES

Benefits of Using a Search Engine



Over half say search engines help when comparing brands, discovering new brands, or finding new websites

Fig. 7 The role of search engines in the pre-purchase process

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Findings revealed that the internet is the most important source for IT product research. Prospective IT customers go online to review, compare and study products and services. Among traditional sources, only personal contact from a sales rep rivals the internet for product research at all decision phases.

The role of the internet is highlighted by the following key findings:

- 71% of IT decision-makers use the Internet across three decision phases; 61% work with a sales rep
- 80% use the Internet when doing general product research and more say the Internet is the most helpful source at this phase of IT product research than any other source
- 25% of IT product purchases are made online; 15% from the manufacturer's website

Needless to say, these key findings emphasize the need for search engine visibility. To be found online is crucial, as prospective customers looking for IT products and services seek information primarily from the major search engines like Google or Yahoo. They use the search engines to compare brands or find new ones. Not showing up in search results equates to significant loss of business opportunities.

SEARCH ENGINE MARKETING

Search engine marketing refers to marketing online or through the internet that seeks to promote a website by increasing its visibility in search engine result pages (SERPs). The two ways in which websites are being marketed online are natural search (search engine optimization) and pay-per-click (PPC) advertising.

ORGANIC SEARCH VS. PAID SEARCH

Fig. 8 Organic search and paid search results as seen in search engines

In search engines, results from a natural or organic search are typically found on the left side of the screen. On the other hand, a PPC ad is generally just above or to the right of the search results where they can be easily seen. To differentiate PPC ads from the natural search results displayed on a page, search engines will often place PPC ads under "Sponsored Ads" or "Sponsored Links" which makes them easier to notice on a page that is crowded with text and other items that are competing for a web user's attention.

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GETTING FOUND IN SEARCH ENGINES

Since IT decision makers do product and service research online, the challenge for IT companies then, is to become visible in search engine results. Showing up in organic results can be achieved through the process of search engine optimization (SEO) and on the other hand, showing up in paid results requires a pay-per-click (PPC) campaign. While there has been much debate about which of the two processes is most effective, majority opinion suggests that both have to be explored. Ultimately, the process that gets the company its desired results is the one that it should maintain.

Fig. 9 To be visible in organic results, implement SEO, and for paid results, use PPC.

SEARCH ENGINE OPTIMIZATION

Search engine optimization (SEO) is the process of improving the volume and quality of traffic to a web site from search engines. SEO helps to ensure that a site is accessible to a search engine and improves the chances that the site will be found by the search engine. SEO basically requires four things: the right keywords, SEO-friendly HTML, relevant content for both search engines and visitors and link building.

Here's how search engines work: After a word or phrase is keyed in the search or query box of search engines, they send out a spider to fetch as many documents as possible. Another program then reads these documents and creates an index based on the words contained in each document. Each search engine uses a proprietary algorithm to create its indices such that, ideally, only meaningful results are returned for each query.

Keyword analysis is crucial to SEO.
Before pages can be optimized, keyword research and analysis must be done to determine which keywords to target. This involves finding relevant keywords, determining their popularity, assessing the amount of competition, and deciding which keywords can be best supported with quality content.

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Some SEO best practices:

- Use multiple keywords and phrases. Search engine users tend to use multiple word queries in their searches nowadays to help narrow down the results. The goal should be to achieve good rankings on a few key phrase combinations to be able to do well in terms of traffic.

- Target specific keywords for each web page. Keyword research needs to be page specific and only focusing on 2 to 5 keywords per page. Avoid using a number of keywords and pasting the same meta keyword tag on every page of the website.

- Optimize for country-specific keywords. There are different keyword terms you must research - and then reference that country's search engine when doing your initial keyword research. UK and Australia, for example, may have different expressions, terminology and spellings so it's best to check the search terms on google.co.uk or au.yahoo.com.

- Cross-reference keywords used in the search engines. Test search terms in the search engines to assess the competitiveness of the keywords chosen, to check if other sites listed are indeed the competitors and if the terms used are indeed related to the industry, products and services.

- Maintain an ongoing keyword research. Keywords can change from month to month as keyword search terms change so it's best to monitor keywords and to tweak them when necessary.

Effective keyword research lays the ground work for effective SEO results and can help kick-start the ranking process - perhaps even giving a step up on competitors. To streamline keyword research efforts, it's best to hire an expert. Focus business efforts on strengths and expertise and allow the SEO experts to effectively perform the keyword research analysis correctly.

PAY-PER-CLICK (PPC)

Pay-per-click is a type of sponsored online advertising where the advertiser only pays if a web user clicks on their ad. Since PPC gives the freedom to choose the price and keywords, there is near absolute control over the campaign and traffic is more targeted. Google leads the way with its increasing share of paid search, primarily from its pay per click service, AdWords. PPC advertising programs offer an astounding reach to highly targeted consumers. In contrast to organic search engine listings, PPC listings don't require an extensive content development and link building campaign. However, like SEO, the key to effective PPC campaigns is in the keyword strategy.

Here are points to remember about PPC:

- Campaign age matters. Things like the keywords' historical click through rate (CTR), account history, historical CTR display URLs and historical CTR of the ad affect the value assigned by the search engine to your PPC ad.
- Target keywords with high search volume yet less competitors in order to attain fast, easy traffic.
- Make creative ads to increase click through rate. Use attention-grabbing words such as 'Powerful', 'Easy', 'Exposed', 'Secret'. Get creative with display URLs, use special symbols such as ..., ™, &, ®, ?, !, etc. and play with caPitaLizAtion.

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- Segment keywords and networks. Bid based on purchase intention and inclination and separate search network and content network bids. Use analytics tools to identify high converting keywords and watch your keyword return on advertising spend.
- Throttle Campaigns. Take note of time zones, holidays (Valentines Day, Cyber Monday, etc.) and seasonality. Deactivate campaigns leading to out-of-stock SKUs.

To maximize PPC advertising performance, bid on the right selected keyword phrases, write persuasive, moving ad copy, and have a well written page. A custom-prepared PPC campaign by an SEM professional is still the best approach to pay-per-click as it can provide guidance along the way.

Build an integrated search engine marketing campaign.

The key is to build an integrated campaign that combines the benefits of both paid and natural search, leveraging each individual strategy's core benefits. With natural search, there is no click cost therefore no budget unlike paid search which requires both. On the other hand, organic search is more complicated than paid search in establishing exposure for targeted keywords and across search properties. Even though the on-site work is long done and paid for, the benefits actually continue to grow as your domain ages and reindexes. By understanding these benefits, IT companies can develop a powerful and profitable search engine marketing strategy.

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IV. CONCLUSION

Integration of Direct Marketing, Database Marketing and Search Engine Marketing Crucial for Global IT Marketing

To improve competitive capability in diverse, complex global markets, a combination of 3 powerful marketing strategies -- Direct Marketing, Database Marketing and Search Engine Marketing is needed in today's media environment.

An integrated marketing approach utilizing these three methods is best for IT firms as it is a cohesive process that emphasizes the consistent delivery of messages across all sales and marketing media. Rather than operating in silos, an IT firm's departments can work in concert to make sure that each of their marketing activities work toward a common set of measurable results. It is also worthy to note that response rates from integrated campaigns are generally higher because one campaign is reinforced by the others.

Callbox's integrated approach to successful global marketing begins with identifying the global IT marketing targets and building and obtaining a strong in-house database prior to launching a direct marketing campaign. To capture the identified market, IT firms must utilize any or a combination of the following methods in their marketing mix: direct mail, email marketing and telemarketing -- all proven effective, ongoing processes of communication to maintain relationships with existing customers and build relationships with new ones.

With virtually all IT products and services customers and prospects using the internet for research and decision-making purposes, online tactics should also become an indispensable part of an IT firm's media mix. Studies have shown that search marketing spending is steadily increasing as marketers essentially shift the portions of their spending pie, following prospective customers as they rely on search engines to conduct pre-purchase research. Search engine marketing tactics -- website optimization and/or pay-per-click campaigns have to be tested, explored and deployed to achieve greater online visibility.

Having worked with some of the top IT firms, Callbox has found that the integration of Direct Marketing, Database Marketing and Search Engine Marketing in an IT firm's marketing mix ultimately yielded the following benefits:

- Easy to compute ROI: clearly defined cost resulting in predictable sales activity
- Scaling up and scaling down done with relative ease by using trained and experienced marketers
- Utilization of best industry practices that are continuously enhanced and updated
- Immediate global market access without being limited by operational boundaries
- Access to large global database that is continuously cleansed and updated with latest contact information and customer intelligence
- Sales teams focus on what they do best: selling

Indeed, with an integrated approach to global marketing, IT organizations are better able to differentiate themselves by providing greater customer satisfaction, increased profitability, improved return on new and existing IT investments and greater control over, and visibility into the business.

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ABOUT CALLBOX

Callbox is an industry award-winning full service sales and marketing firm that provides global market access via direct marketing, web marketing, sales support, database services and advanced sales force management.

Callbox enables revenue growth by accelerating market capture through comprehensive modern marketing: global database mining, best practice search marketing, and dedicated, professional, results-driven marketing staff. With proven sales and marketing expertise, Callbox allows businesses to focus confidently on their core competencies and goals.

Launched in Los Angeles, California, Callbox provides targeted foreign and domestic market access to leading industries such as software, information technology, financial, medical, and business services from its offices in North America, Europe, Asia, and Australia.

- Leading global provider of B2B sales and marketing services for the IT and Software industry
- Employs over 500 sales and marketing professionals in 5 countries
- Generated over 100,000 direct sales appointments in 2008, resulting in estimated US$50million in incremental sales for clients
- Services over 400 companies and organizations in over 15 countries
- Built and maintains database of over 8 million up-to-date records of companies and decision-makers worldwide across all major industries

For more information about Callbox, visit www.callboxinc.com.

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