

1. Mass Marketing is Dead

Mass marketing is old school marketing. No longer can businesses afford to blindly send large volumes of the same messages to unqualified recipients. Nor can they afford to treat each customer the same way. Yet many businesses still practice these useless exercises. I know of a pizza parlor that complained the return on their post-card mailing was dismal. They were sending discount coupons to hundreds of homeowners and were getting a very poor response.

It turned out they were sending the postcards to everyone, within a 25 mile radius, regardless of any profiling information. The problem with this method was that there was no selection process for the recipients. So their offer was ignored by many, particularly those to whom it did not appeal (i.e., Atkins[?] dieters, etc). The other problem was with their geographic selection (or lack thereof). Who would travel 25 miles for a pizza when there are half a dozen choices within a few miles of their home -- regardless of how good the discount was? Their target market was poorly defined.

Like the pizza parlor, plenty of businesses practice bad marketing on a regular basis. It's wasteful and it produces negative effects. With an unfocused target market, the wrong people will get the wrong message. As a result, marketing dollars will be wasted. Prospective clients may look unfavorably on your business because you appear to be careless, desperate, or just plain clueless, and no one wants to work with a business like that. Customers can't be treated anonymously. Hence the quest for personalized marketing. One of the keys to successful marketing and sales is understanding your customers' needs and pains, and how to better serve them. Personalized marketing will help businesses address these customer needs.

Personalized marketing can be basic and simple, or complex and sophisticated, depending upon budget and requirements. The more complex programs involve detailed information and analysis of market segments, demographics, and other knowledge about the audience with sophisticated analysis and algorithms to automatically target a precise message to the individual shopper.



Amazon.com is probably best known for this level of personalization. When you log into Amazon.com, you are presented with a list of recommended products which are based on your previous purchases and interests. In fact, the initial web site in which you are presented may be customized to your unique interests. This is advanced personalized marketing which is very effective. However, this level of sophisticated marketing often requires a sophisticated budget, too. So, we will focus more on smaller businesses with tighter budget constraints. Specifically, the target audience for this book is the SMB (Small and Mid-Sized Businesses) who want to leverage their CRM systems to economically create effective marketing campaigns.

