

PART I

REV UP YOUR ENGAGEMENT MARKETING ENGINE

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CHAPTER 1

THE ENGAGEMENT MARKETING CYCLE

A couple traveled to the Boston area to attend a wedding, and their host—who lived in the area—booked them a room at a gorgeous bed and breakfast. The B&B’s website featured fabulous photography of its stunning location, so the bride felt good about choosing this particular B&B. She requested a room on the first floor and informed the person handling the reservation that the husband had trouble climbing stairs due to a physical disability.

When the couple arrived, they learned that no first floor rooms were available; instead, they had been given a room two flights up at the back of the B&B. You know how this works. You don’t like to make a fuss, so you say, “Okay, we’ll deal with it.” The room, although difficult to access, was lovely. After attending the wedding, however, the couple returned to their room to find a freshly made bed . . . and a pile of wet towels on the floor. When the couple reported the mess to the front desk receptionist, they got a blank stare and a shoulder shrug.

This is the negative TripAdvisor.com review that I—and thousands of others like me—read about the B&B “[that] didn’t care enough to give us a first floor room even though one was specifically requested due to physical disability.” I found this review while looking for a place for friends to stay while visiting my

town. Do you think I booked a room at this B&B? No! And I'm willing to bet that many other viewers followed suit.

Compare this to a grateful bride's positive review of an inn in Connecticut. The couple's wedding reception had to be rescheduled at the last minute due to a hurricane. The inn owners helped plan the reception right down "to the last detail" and even hosted the entire bridal party. The bride praised the staff, the food, and the grounds and raved, "We'll definitely be back! Thank you!!" Think about how many bookings the inn may receive from other brides seeking exceptional service and a worry-free wedding day—all thanks to one glowing review.

When we ask business owners, "What is the single most effective source for generating new customers?" the most common answer is, "My customers telling others about me."

EVERYONE HAS A CIRCLE OF INFLUENCE

Whether we join to build professional relationships (e.g., industry associations) or for more personal reasons (e.g., parenting groups, lifestyles, similar hobbies or interests, alumni associations, and so on), we all belong to various networks. These groups include our close and extended family, personal friends, acquaintances, colleagues, neighbors, and coworkers, to name just a few. Usually, our networks are filled with people like us—whether we belong to a group of new mothers or a group of serial entrepreneurs. Our networks, which can be forged online or offline, form our circle of influence; we influence them and they influence us.

When we get together with our peers within these groups, we share information and updates about our personal and professional lives. Think about the last time you caught up with a friend or family member. You probably discussed what your kids and spouse are up to or where you went on your last vacation.

Similarly, when you last attended an industry association meeting, you most likely shared resources, anecdotes, news, and business challenges with other small business owners or marketers in your industry. If one of your peers asked, “Say, do you know of a marketing consultant? We need help with developing an online marketing strategy,” you may have said, “Actually I do. You’ll want to call Jane Smith. She does great work—five stars.”

This word-of-mouth referral is the golden moment for a business or consultant, but several factors make it difficult to encourage or track: (1) You can’t influence how your business is portrayed in the conversation; (2) You have no idea when someone refers a friend to you unless that friend calls to inquire about your services and you happen to ask how he or she found you; and (3) You can’t reward your clients for referring you if you don’t even know who made the referral.

Social media completely changes this scenario.

In the days before social media and the Internet, you, the business owner, could not listen in on your customers’ conversations about your company. Nor could you easily encourage people to spread the good word about your business unless you used loyalty marketing or a “tell a friend” campaign, both of which are expensive to conduct and maintain.

With today’s social media tools at your disposal, you can encourage your clients to tell your story for you through Engagement Marketing. Engagement Marketing is built on a simple yet powerful idea: When you connect with your customers online, you stop speaking *to* your customers and start talking *with* them, and wonderful things begin to happen. Those golden word-of-mouth moments that once happened in the backyard, at parties, and at networking events suddenly begin happening right in front of your eyes on Facebook, LinkedIn, Twitter, and review sites. Through Engagement Marketing, word-of-mouth referrals become socially amplified: your customers’ friends, families, and networks all see these referrals and beat a path to your door.

YOUR NEW BUSINESS ENGINE: NEW CUSTOMERS AND MORE REPEAT BUSINESS

Engagement Marketing helps drive more leads, more repeat sales—and more referrals. Engagement Marketing stimulates conversations and inspires participation. As you engage with your customers (and their friends), you’ll achieve surprisingly targeted social visibility; your customers’ networks are filled with great prospects for you. Remember, we’re all part of networks filled with people like us, so we all tend to have friends and colleagues with similar needs. When a friend of a friend finds your business through a trusted connection, it comes with the explicit or implied endorsement that this person stands behind your business. This endorsement gives you greater reach and adds to your credibility—or “social proof”—as prospects that find you through other channels can easily see your positive engagement with returning customers.

Your customers’ testimonials carry more credibility than any marketing message you could ever deliver yourself. This is because we value the feedback of others more than a vendor’s claims. If we actually know the person who is giving positive (or negative!) feedback, the review’s credibility skyrockets. In fact, 90 percent of consumers trust recommendations from people they know¹ while only 14 percent trust advertising.²

¹Nielsen Wire blog, July 7, 2009, <http://blog.nielsen.com/nielsenwire/consumer/global-advertising-consumers-trust-real-friends-and-virtual-strangers-the-most>.

²Socialnomics, May 5, 2010, www.socialnomics.net/2010/05/05/social-media-revolution-2-refresh.

THE ENGAGEMENT MARKETING CYCLE: THREE SIMPLE STEPS TO SUCCESS

The Engagement Marketing Cycle begins once you've attracted a prospective customer or client to your business, as represented by the door in Figure 1.1. This first point of contact can happen at your physical location, website, Facebook Page, trade show booth, charity event—anywhere you make a connection with someone and the conversation turns to business.

The Engagement Marketing Cycle, as seen in Figure 1.2, is comprised of three simple steps: Experience, Entice, and Engage. Although relatively simple, these three steps, when done right, are quite powerful. What follows is a brief description of the cycle. You'll find more in-depth information on each step, plus practical tips, in the following chapters.

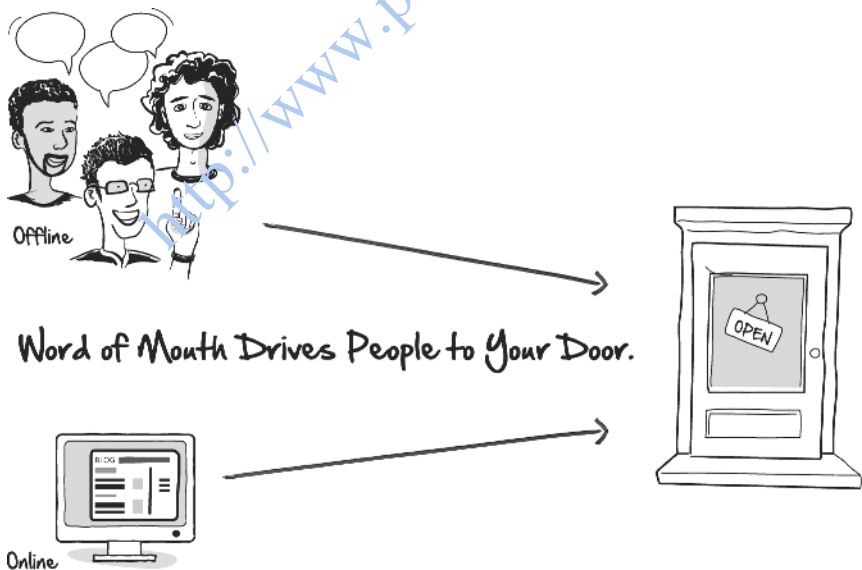


Figure 1.1 Word of mouth drives people to your door

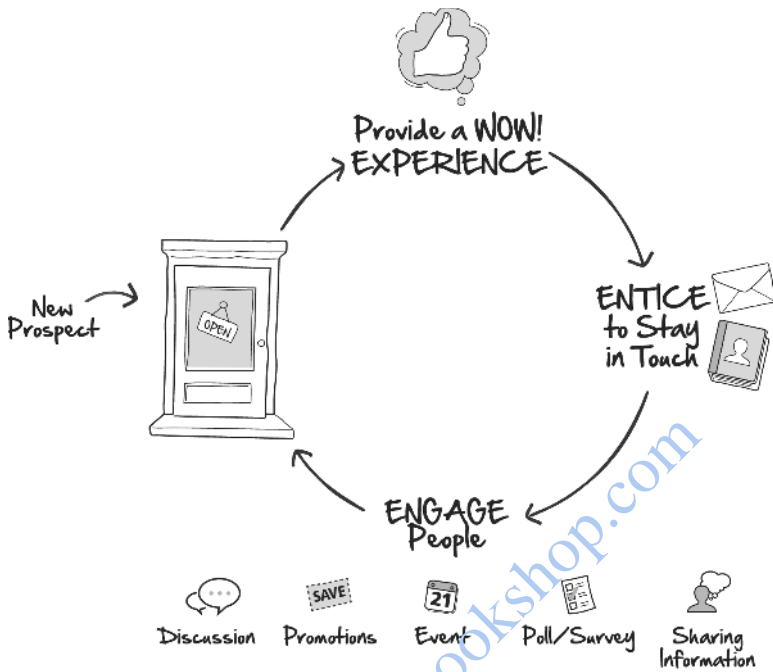


Figure 1.2 The Engagement Marketing Cycle

Step 1: Provide a WOW! Experience

The good news is that as a small business, you have an advantage that larger or national companies do not: you can create personal connections with your customers by providing extraordinary *experiences*—every single day. These experiences include everything from remembering your customers’ names and preferences to providing them with exceptional service they just do not get anywhere else. Creating a great customer experience from the moment a prospective or existing customer enters your business is crucial to revving up your Engagement Marketing engine. As Figure 1.3 shows, your goal at this step in the cycle is to deliver a positive, memorable customer experience that stays alive in your customers’ memories long after they have exited your business.

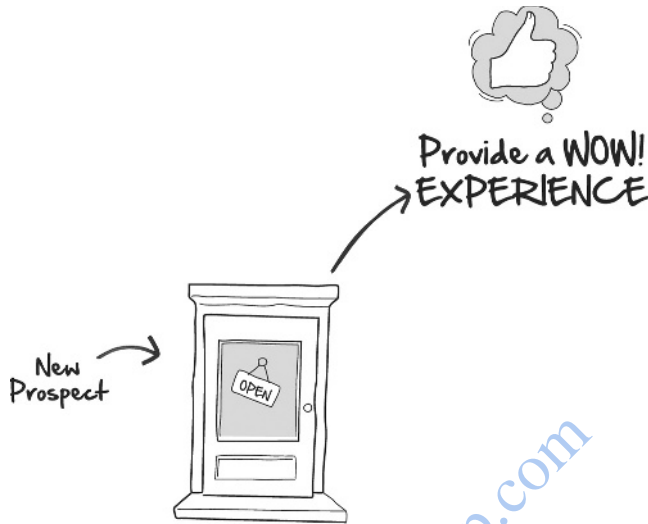


Figure 1.3 Step 1: Provide a WOW! experience

I don't have to tell you that the bar is set pretty low in many businesses when it comes to creating great customer experiences. According to the 2011 Global Customer Service Barometer Research Report prepared by American Express, only 24 percent of survey respondents said that businesses "will go the extra mile."³ Almost half of the respondents, or 42 percent, said the businesses are helpful but don't "do anything extra to keep [my] business," while 22 percent said that companies "take [my] business for granted."

Clearly, businesses can step it up with regard to providing exceptional service. As a small business owner, you have an advantage: you can easily assess your customer experience and implement necessary changes faster than large businesses can, and the rewards—new and repeat business—appear fairly quickly. Great customer experiences fuel the Engagement Marketing Cycle; without them, you won't get the cycle started. In Chapter 2, we'll explore ways to create great customer experiences.

³<http://about.americanexpress.com/news/pr/2010/barometer.aspx>.

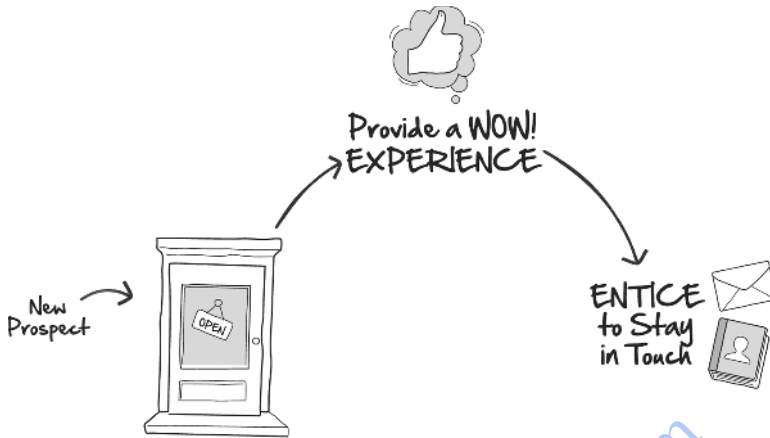


Figure 1.4 Step 2: Entice to stay in touch

Step 2: Entice to Stay in Touch

When you create a great customer experience, you make it easier for customers to be receptive to doing business with you again, to remaining in touch with you, and to sharing their experiences with their networks. But you can't keep that great experience alive, if you have no way to stay in touch! You need to make a connection while the experience is fresh in their minds. To this end, you must persuade the customer to agree or "opt in" to staying connected. For this second step in the Engagement Marketing Cycle to work as shown in Figure 1.4, you must learn how to connect with your customers through a variety of media including social networks, e-mail, mobile (SMS or texting), events and, yes, even direct mail. Once you decide how you want to connect, you have to *entice* your customers to make the connection (often called opt in). Creating opportunities and methods for enticing new customers to connect with you is limited only by your imagination and creativity. E-mail marketing and social media platforms (such as your blog, Facebook, LinkedIn, Google+, YouTube, and Twitter) tied specifically to your business are the two most frequently used methods for maintaining connections.

In Chapter 3 you'll learn how to comfortably ask people to connect with your business and entice them to opt in. The key take-away is this: consider how you can entice people to connect with you during or immediately after they've done business with you.

Step 3: Engage People

Now that you've delivered a great customer *experience* and have *enticed* customers to stay in touch, it's time to bring these relationships to life by *engaging* people, as seen in Figure 1.5. "Engagement" means sharing content that inspires your fans, followers, e-mail subscribers, blog readers, and other online contacts to interact with you. Creating opportunities for engagement brings customers back to your business—by leaving a comment, "Liking" or "1+-ing" your post or website, sharing your content on Facebook,

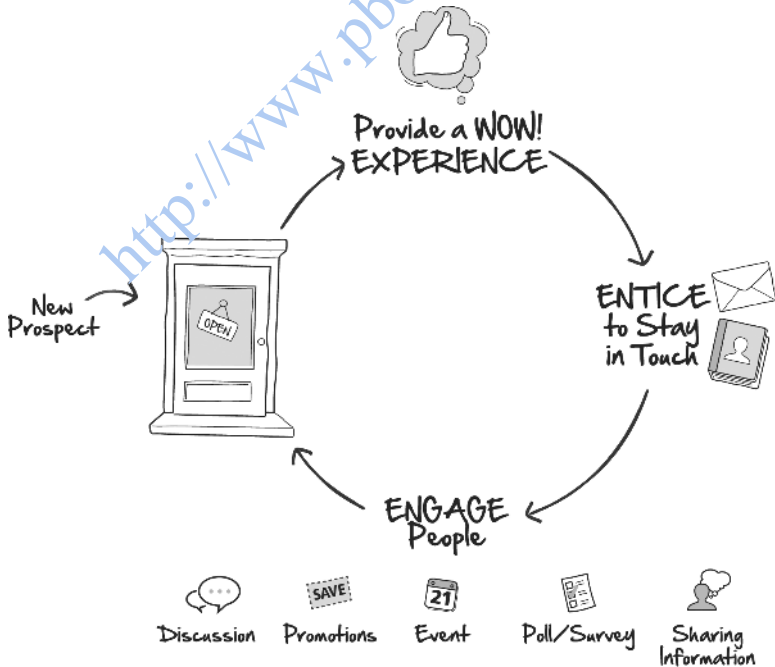


Figure 1.5 Step 3: Engage People

Twitter, Google+, or LinkedIn, visiting your business to make a purchase, or calling/e-mailing you to discuss a new project.

Engaging with people is not a one-way street. If all your audience does is listen to you, then you're not fully engaging them. The goal is to drive participation, whether online or off, and social media is particularly well suited to encouraging online engagement. Facebook, Twitter, LinkedIn, Google+, YouTube, and a company blog provide you with the ability to create a destination for viewer interaction and establish a shared interest community. E-mail marketing is a great way to pull people back to your social networks. When your audience participates, especially on social networks, it creates buzz around you and your business: When your customers "Like," comment, or share stories, their participation becomes visible to their networks (your new prospects!)

Chapter 4 outlines the basic types of content that engage people and explains how you can use content to drive active participation.

That closes the loop on the Engagement Marketing Cycle. Developing this cycle until it's a well-oiled machine will keep your customers and clients connected to your business, increasing your repeat sales. Engagement Marketing, however, has an even bigger benefit: Engagement leads to endorsement—that golden word-of-mouth moment that drives new customers to your business.

ENGAGEMENT DRIVES SOCIAL VISIBILITY, ATTRACTING NEW PROSPECTS TO YOUR DOOR

We opened the chapter with examples of negative and positive reviews on TripAdvisor.com. Customers shared their experiences with a subpar bed and breakfast and an excellent inn—reviews that

are visible to everyone who logs on to the site. But reviews are just one way that customers share their experiences. When you engage your customers through social media in a way that drives participation, you create *socially visible* actions. On social networks, your customer interactions are visible to other customers and prospects. When someone “Likes” or follows your business, comments on your posts, or shares your content with their networks, those actions are visible. When people tweet about your upcoming event or share that they are at your establishment, those actions are socially visible. When you engage in a way that drives participation, you create socially visible actions. In Chapter 6, we will explain in further detail how customer participation becomes visible across each of the social networks.

As shown in Figure 1.6 socially visible engagement puts your business or organization in front of a new audience: the social networks of your existing customers. Not only are they seeing and hearing about your business, they are hearing about it from a trusted source, giving you an implicit thumbs-up.

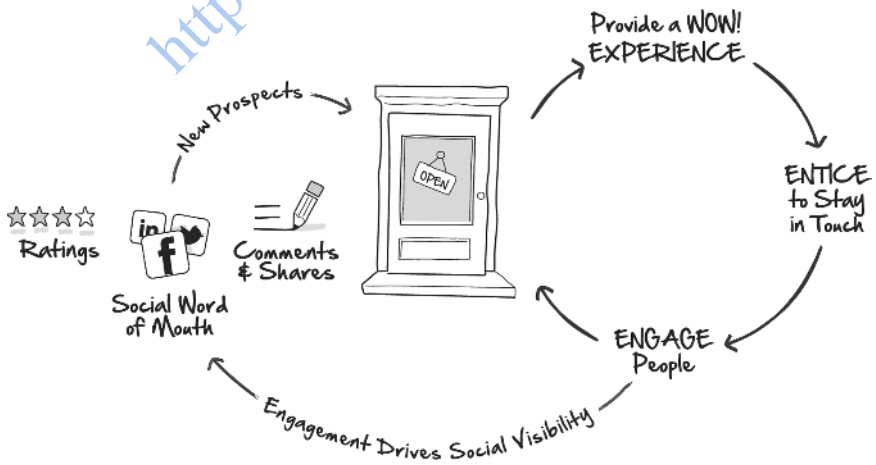


Figure 1.6 The Engagement Marketing Cycle with social visibility

ENGAGEMENT MARKETING BOOSTS YOUR OTHER MARKETING, TOO

Socially visible engagement can have a big impact on your other sales and marketing efforts. A person who gets your direct mail letter or reads your ad and then looks you up online can see the engagement of your fans on Facebook, the comments on your blog, the mentions on Twitter and LinkedIn, and can know immediately that you're a business that listens to its customers. This positive engagement—or social proof, which we discuss in later chapters—encourages people to connect with you, especially if someone they know (i.e., friends and family) are engaging with you, too. As we'll discuss, social proof helps build trust and is much more powerful than any marketing message you can put out. Engagement Marketing helps you close new business by giving your prospects confidence.

ENGAGEMENT MARKETING BUILDS MOMENTUM OVER TIME

When you follow the three-step Engagement Marketing Cycle, magic starts to happen and takes many forms. Our highly connected digital world makes it easier than ever for people to share their experiences with their networks (and strangers!); social media tools allow for these experiences to be spread far and wide. You'll begin to see existing customers coming back more often, and over time, you'll begin to meet their friends. This interaction starts slowly and builds gradually.

As engagement begins to build, you'll see explicit references to your business popping up in blogs and in social media posts as well as on review sites. New customers will find you as a result of an inquiry that someone posted online, which resulted in a

recommendation for your business. Someone will post on Twitter or Facebook, or in a discussion group (“Does anybody know of a great housepainter in San Leandro, California?”) and your engaged customers will hop in and recommend you. This discussion stream has the potential to be seen by all of the conversation’s participants as well as their entire networks. When you consider that the average Facebook user has 120 friends⁴ you quickly realize how many people can be reached with just one posting.

This is the magic of a well-functioning Engagement Marketing Cycle; it drives both new prospects and repeat sales. Once the Engagement Marketing cycle is fully functioning, your customers become part of your marketing team. The cycle now becomes a new customer acquisition engine while also strengthening the sources you already use.

Are you ready to build your engine? Let’s get started with the first step in the cycle: Providing a WOW! experience.

⁴Facebook, 2009, www.facebook.com/note.php?note_id=55257228858.

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