PART 5:
DEMAND GENERATION
How to build demand for your product

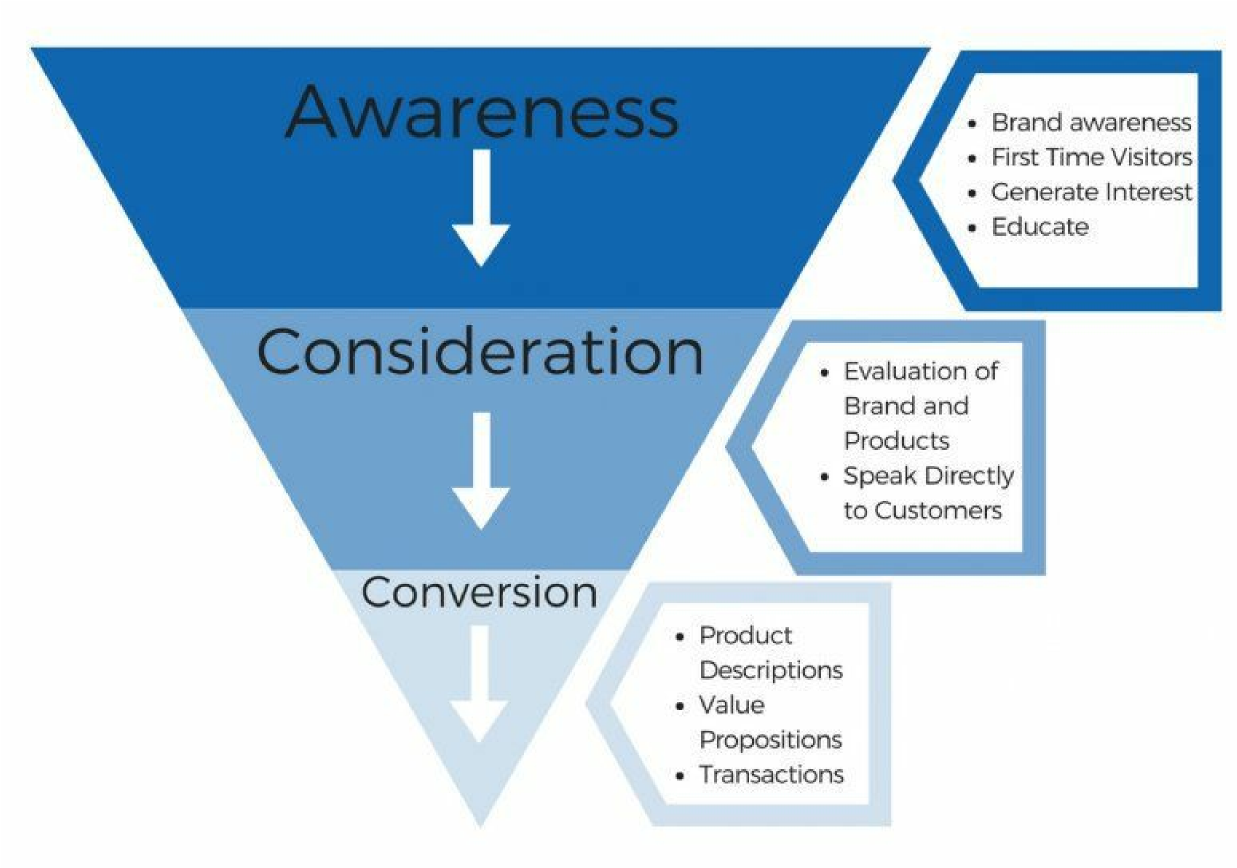
Demand generation is all about getting the right people to put up their hands and say “I’d like to talk to a salesperson about your product / service.” Essentially, it’s the WHERE of go to market.

Demand generation is especially critical in the B2B world, where (a) every deal is worth more (and you can therefore spend a lot more money acquiring each customer) and (b) buying is a long, drawn out, and collaborative process involving lots of moving parts and different people. This chapter will:

- Cover the demand generation process, theory, and stages
- Walk through an example demand generation campaign
- Identify the most common demand gen tactics
- Demonstrate a full demand gen channel mix

The demand-generation process

The demand generation process is moving from someone who doesn’t know who you are to the point they’re ready to evaluate your solution. If you think of this conceptually, it looks like a funnel:



Reference: SEMrush

Awareness

Awareness is the stage when customers don’t know who you are or what you do. They need to be educated and made aware of your brand. The goal here is to be helpful. Help them learn things that are interesting. Help them solve a problem they have, even if they don’t use your tool to do it. Common tactics and channels here include blogging and SEO, and brand awareness campaigns where the focus is simply to get your name in front of target customers. Out of home campaigns, TV ads, influencer marketing, and impression-based social media ads can all play in this arena.

Consideration

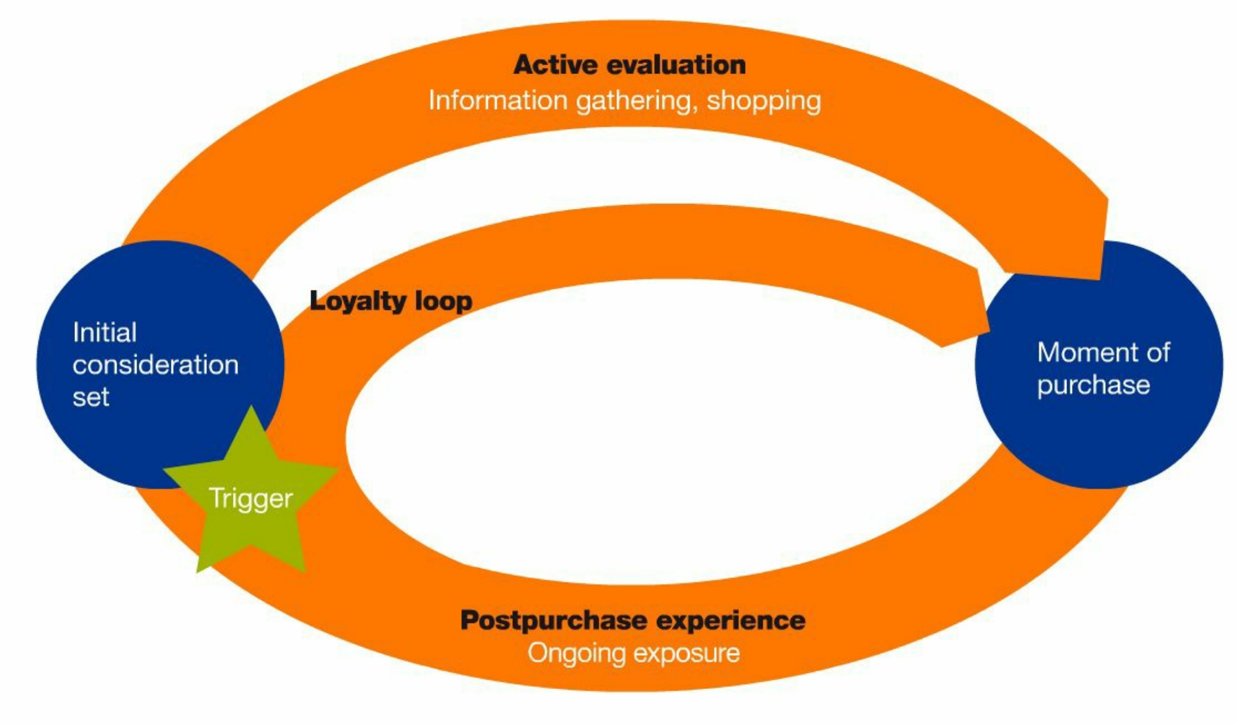
Consideration is when they're looking at different vendors, and are considering you as a potential solution. They know who you are, they know the problem they need to solve, and they're considering if you can do it. The goal here will depend a lot on your sales process. For some businesses, this is when you put them in touch with a sales team. For other organizations, this is when you continue to promote content, but content that requires a bigger time commitment from your prospects (e.g. webinars, white papers, recorded demos).

Evaluation

Evaluation / conversion is when prospective customers are looking at your specific solution, and are evaluating you in a lot more detail. This is when you're best positioned to talk about yourself. If it's a transactional business, this is when the purchase happens. Key assets include product and pricing pages, free trials, and ecommerce purchasing. For larger, more complex products, prospects at this stage are typically "handed off" and enter the sales cycle.

Alternative model

Another framework for modeling the customer decision journey is presented below from McKinsey & Co:

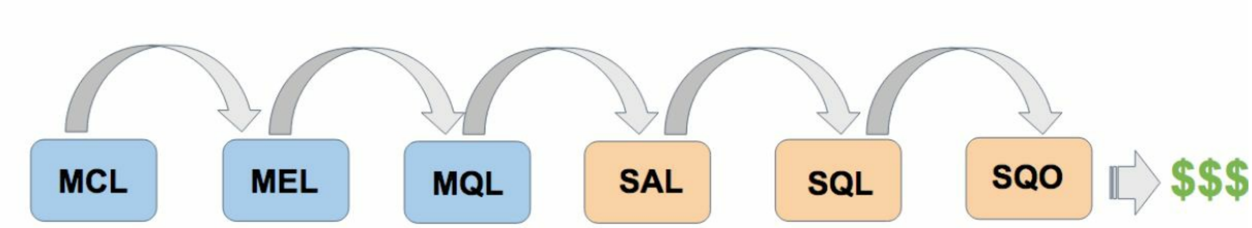


Here you can see the importance of trigger events that start the buying process. This might include events such as changing accounting software, expanding to a new store, getting a divorce, or moving.

Demand generation ≠ lead generation

One of the biggest problems with demand generation is that everybody talks about how they need more leads…

… but no one knows what a "lead" actually is. I don't even like to use the word 'leads' because there are too many vastly different types. Here is a proven process with various types of leads:



Reference: Saasmql.com

Awareness

- MCL = marketing captured lead. These may be cold leads acquired from a purchased list or compiled by your team.
- MEL = marketing engaged lead. These are leads that have some soft engagement with you such as filling out a form to acquire a white paper or webinar, or visiting a booth at a trade show.

Consideration

- MQL = marketing qualified lead. These are usually leads that have responded to a "high-bar" offer such as a demo, consultation, or price quote. Sometimes MQLs are just leads that accumulated enough lead scoring points that they are handed to Sales, even if they haven't actually requested an offer that would in and of itself qualify them to speak to Sales.

Evaluation

- SAL = sales accepted lead. These are leads that have been handed to Sales that are accepted rather than rejected and are being followed-up by Sales.
- SQL = sales qualified lead. These are leads that engage with Sales.
- SQO = sales qualified opportunity. These are leads that are candidates for buying your products within a reasonable time frame and have potential revenue (pipeline) associated with them.

The non-linear demand process

Demand generation has received a lot of flack in recent years, primarily because the above model rarely reflects how a person discovers a product and decides to buy from them. For instance, say you're selling B2B software. Someone might not be aware of your product, but see your listing on a review website. They'd jump immediately to consideration.

Likewise, intent channels like Google Ads mean that leads can enter your funnel at any stage. While this has always been the case (after all, a sales rep can always call someone who says "actually yes, I'm evaluating solutions right now!") it now happens a lot more often. The funnel is still worthwhile, and if you're tracking efficiently, you can use it to see where you need to refine your go to market strategy.

Remember: your funnel doesn't represent the journey every lead takes to become a customer.

Demand gen campaign example

Let’s put what we just covered into practice. Here’s how a demand gen campaign might unfold.

Step 1: Buy a list of prospects.

Once you know what kind of customers you want, you can go and buy a list of 10,000-20,000 people who fit your target. There are lots of list brokers and suppliers out there, but try to find someone who can you the most specialized list for your market. Also consider testing a few sample lists from different suppliers. I’ve had a lot of difficulty with suppliers providing very poor quality lists and being very late with deliveries. So the earlier you can get on top of this, the better.

It’s worth thinking about how you want to filter your list as well. For B2C products, demographics are almost always the starting point (e.g. men, 25-34 years old who make over $75,000 a year). For B2B companies, the starting point is usually firmographics followed by job title.

But those are only to start. There are infinite ways to slice and dice your prospects to get the customer you want.

For B2C, you might segment by location, previous purchases, interests, habits, brands they follow, or social platform activity.

For B2B, you might segment by company growth, department growth, number of locations, what technology they currently use, team size, or company age. The point is, the finer you can tune your filters when you’re purchasing contacts to match your ideal customer, the better off you’re going to be.

Note: It’s best to write a white paper that aligns well with the problem your product solves or the aspiration your product helps make a reality.

Step 2: Write a white paper.

This should be something educational that addresses a pain or aspiration of your target customers, for example, “10 Tips for Generating $5M Selling Clothing Online.” You can create the white paper in a Google Slide and simply export as a PDF. You could also create it in a Google Doc, InDesign, or any number of programs.

Step 3: Advertise the white paper on Facebook and LinkedIn.

Prospects should have to enter, at the very least, their email address in order to get access to the white paper. The reason we are advertising the white paper is because it’s a good top-of-funnel offer. Other offers such as “request a demo” or “get a consultation” are bottom-of-funnel offers that don’t perform well when promoted to cold leads.

Remember: you are advertising the white paper, not your company and not your product. An important concept in demand generation is that you want to promote the offer itself (and the benefits of the offer) rather than your company or product. In this case, the offer is the white paper.

Step 4: Promote the white paper through content syndication.

Promote your white paper far and wide using content syndication. You could, for example, pay the firm PureB2B for each white paper download. Not only will they promote your paper to your target customers, but they’ll also identify the subset of people who are ready to buy.

Step 5: Nurture the people who download the white paper.

Add the people who download your white paper into an email sequence in a program such as Outreach. For example:

- Email 1: “I saw you downloaded the whitepaper “Title Name,” so I thought you might like this video on “topic name.”
- Email 2: “Here are a few tips to achieve x…”
- Email 3: “Here’s a video of someone who achieved what you want to achieve.”
- Email 4:” I can teach you how to achieve x. Are you interested in learning more?”
- Email 5: “I can show you the fastest, simplest way to make this pain go away. Book a demo with me, and I’ll show you how.”

At the end of this campaign, you should have generated some marketing qualified leads that sales can convert into opportunities, and then into won deals.

The key is to evaluate the total cost for the number and value of opportunities created, then revenue generated, then decide two things:

1. Was the ROI on this campaign positive? Basically, did you get more money out than you put in?
2. Was this the best use of marketing dollars? This question often goes un-asked, but every single dollar spent on marketing has an opportunity cost of a campaign you didn’t run. Therefore, even if a campaign has a positive ROI, there might have been a better allocation of resources.

7 Common demand gen tactics

Now that we have an idea of the basics of demand gen, let's look at the most common tactics you're like to use as you launch your new product. It's relatively easy even for a small team to use all these tactics, and as we'll see when we turn our attention to the marketing mix, using multiple tactics is usually the most effective campaign strategy.

1. Acquire leads / customers through Google and Bing ads

Google and Bing ads are particularly effective at acquiring leads quickly because they're intent-focused channels. That is, you can bid on keywords that people are searching for when they have the intent to purchase. The disadvantage is that, in the long-run, pay-per-click ads aren't as cost-effective as other tactics such as content marketing. That's because the payoff from pay-per-click ads is generally linear, as indicated by the term "pay per click." In contrast, content marketing, PR, and branding generate economies of scale over time.

Another key advantage of search ads is that they can target people at the bottom of the funnel—i.e., those who have a high purchase intent and are willing to talk to a sales person. You do this by targeting specific keywords tied to your solution, such as:

- How do I integrate X with Y?
- Best software for X?
- Buy X

What this means is that search engine advertising can quickly move the needle on pipeline and sales in ways that other marketing (such as white papers) cannot.

One of the main keys to success is having dedicated PPC landing pages. You generally do not want to direct PPC traffic to your homepage. You want to create a page that compels people to fill out a form (or in some cases, to buy your product). For example, you might ask people to “Book a demo” and provide a lot of social proof as to why you are the best, such as ratings from third parties and testimonials.

2. Acquire leads through Facebook and LinkedIn ads

Facebook and LinkedIn offer incredibly detailed demographic and firmographic targeting data, so you can serve focused ads to your specific buyer personas. The challenge though is that Facebook and LinkedIn ads don’t reflect intent. You can target the exact people who usually buy your product, but not the people who are looking to buy your product right now.

So leads generated from Facebook and LinkedIn should generally be connected to a lead nurturing program, such as a series of emails you send out via a sales engagement (Outreach, Salesloft) or an email automation system (HubSpot, Pardot).

Intent vs behaviour example

I worked at a B2B SaaS startup called Upchain. We used both Facebook and Google Ads to drive leads. We first started with Google, bidding on keywords relevant to our product with the call to action “book demo.” It was going great, so we decided to roll out Facebook ads, too. We directed them to the same high-converting landing page. But our conversion rate plummeted! Why?

Because our Facebook audience wasn’t ready for a demo. They had no intent to purchase now, but they were the right people to purchase eventually. So we changed our approach. We switched our CTA on Facebook to a whitepaper all about how to build and scale the manufacturing tech stack (a problem we solved really effectively). Then, we nurtured these leads over time with content-focused email marketing. Eventually, by tailoring our CTA to match the stage of the buyer's journey our audience was in, Facebook became one of our most effective channels—the leads just took longer since we had to wait for them to be ready to buy.

3. Event marketing

Event marketing is, essentially, going to events in order to meet your prospects in person. Event marketing usually has a handful of different goals—getting your product in front of prospects, turning meetings with your prospects into closed business, and meeting with existing deals to accelerate sales velocity.

Event marketing continues to be a leading channel for B2B demand gen marketers. A 2018 study by *Demand Gen Report* found that events were the #1 most successful tactic for accelerating mid- and late-funnel leads, and the #3 tactic for engaging early-funnel leads.

On top of the revenue generation objectives, there are significant brand awareness benefits that come from events. There are few other ways to get your brand in front of as many of your ideal client profile than at a trade show or conference—for the simple reason they're all in the same place at the same time.

Go to market teams should use events wisely though. For example, sponsoring an event usually requires a significant minimum bid, so “dipping a toe” and testing isn’t an option. What’s more, events fall under the lightning strike model of marketing—spending a lot of cash, all in one place to make a big impact. That means from a marketing perspective, events can be a risky mood. That’s especially true if you’re new to event marketing.

But don’t let this deter you. If your industry has a single, powerful event that you can hitch onto, then it might be a good place to launch your new product or solution.

Alternatively, events can form part of your channel mix, to build awareness at the top of the funnel, take meetings in in the middle, and accelerate deals to close at the bottom.

How to get the most from events

Step 1: Choose your events carefully

Events represent a huge investment for a company, so you need to pick which events you attend carefully. This should essentially be an exercise similar to target customer work we discussed earlier:

- Get an audience breakdown from every major event you're considering.
- See what percentage of attendees are likely to fit your target audience.
- Use these to calculate a rough estimate of how many potential, high-quality leads there are at the event.
- Apply your historic or projected conversion rates to calculate a projected ROI.

Here's an example of this work, assuming a 20% MQL-SAL conversion rate and a 30% close rate:

Total # attendees	% attendees who fit your ICP	# potential leads	# MQLs you can expect	# closed deals you can expect
5,000	15	750	150	75

If you do this for every event, you'll get a sense of how much return you can expect for your investment. Looking at potential MQLs also gives you a good barometer to compare each event to other non-event marketing channels.

Step 2: Define a goal for each event

Just like any other channel, events can be used to achieve different objectives: brand awareness, new opportunity creation, or existing pipeline acceleration.

You need to define a goal for every event so you understand how to measure success, as well as what lever you need to pull depending on where your go to market strategy is lagging.

Brand awareness vs events ROI

I used to work at a software startup. When I joined, events were a big part of their marketing mix, representing the lion's share of marketing spend. However, when I dug into where opportunities and deals were coming from, it was never from events. It looked to me like we were spending big money on events, and not seeing a return on that spend. But every time I tried to challenge the story that events are good, I was met with resistance. Turns out, it was with good reason. Because every time we went to an event, even if the event itself didn't pay for itself, the impact on our brand awareness was huge. We'd get people coming up to us and say "you guys are everywhere!" By spending big at events, we were able to create the illusion of size and drive significant brand awareness among our ICP. The result was that we were constantly being brought into deals against our competitors who had raised hundreds of millions of dollars with outbound sales teams of 50-100 reps.

4. Content marketing and SEO

Content marketing is all about creating content (videos, webinars, blog posts, white papers, ebooks, etc.) that your target audience finds helpful or interesting. The goal is to provide value so you can:

- Create the space to talk about your product or service.
- Provide value and build brand equity in your target audience, so that when they are looking, they know who to go to.

More tactically, content marketing does two things.

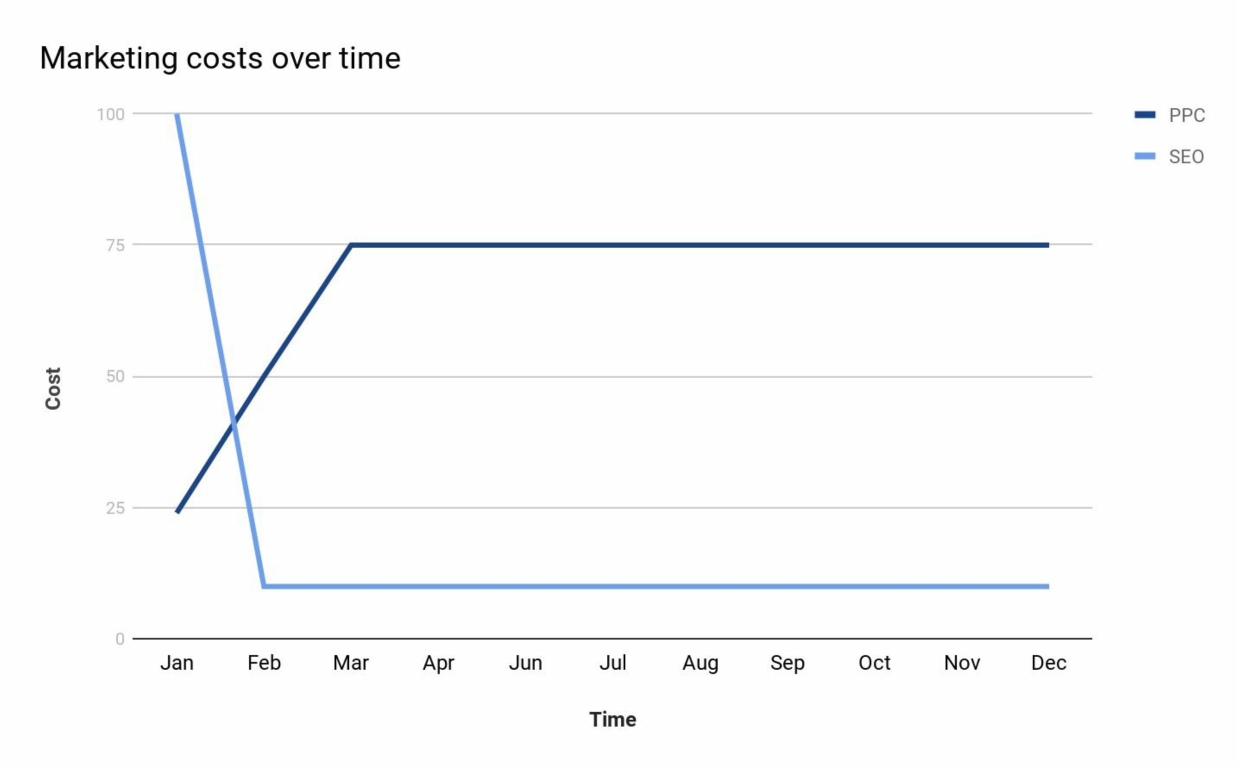
First, it creates content that people are willing to use their contact information (usually an email address) to gain access to. Once you have that contact information, you can market to them to see if they need your product or service. The white paper used earlier in our demand generation campaign is a good example of this.

Second, by creating online content like blog posts, content marketing boosts your website's position in Google search results. This means that when your target audience goes looking for answers to their problems, your website is more likely to show up in their search results, and they'll be more likely to click on your link. Once they do that, you have the opportunity to convert them into marketing captured leads (MCLs).

This second task is tied closely to search engine optimization, or SEO. SEO is the art of understanding what people are searching for and creating the content in response to those search queries. It's also the science of getting your content to rank higher than everyone else.

There are dozens of guides to SEO, (Ahrefs, Brian Dean, and Moz SEO all have excellent resources) so we're not going to get too granular here. But from a go to market perspective, there are a few things to call out.

- **Content marketing / SEO takes a long time**. While other channels like search engine or social media marketing can be quickly turned on and off, content takes a long time to generate and SEO takes a long time to work.
- **Content marketing / SEO has lower acquisition costs in the long run**. Not only do leads from organic search tend to convert at a higher rate, but they also cost less. Paid acquisition is a linear cost model—you need to spend more to get more, up to a certain point where spending more doesn't get you more. For content and SEO though, the initial cost of generating a piece of content can pay dividends for months or years. And because virtually the entire cost is up front, for every new lead that's acquired, your customer acquisition costs drops for that channel. Over time, this makes content marketing and SEO one of the most cost effective marketing channels today. Figure X.X shows what this looks like in practice.



Keep your content customer-centric

It can be tempting to create content from your perspective, rather than from the perspective of your customers. For instance, it's fairly easy to break your content up into sections based on key product features. But this isn't usually how customers think. They don't spend every day obsessing over your product and its capabilities. Instead, they are spending their time worrying about things like how to grow their business, speed up their process, or stop customers from leaving.

So it is a good idea to organize your content from the top-down, beginning with customer pain points and aspirations. Once you have covered those, you can introduce information about product features that show that you can address each pain point and aspiration.

For example, a title on your page might say: "Reduce inventory carrying costs." Beneath this, you can talk about product features that help customers reduce inventory carrying costs, such as: "With our proprietary forecasting algorithm, you'll cut waste production by 33%."

On your website, it can be very helpful to have specific sections for each major customer group. This forces you write content in a customer-centric way rather than listing product details in an egocentric way.

Content examples

Webinars

Webinars—especially ones that provide educational content—are one of the most effective ways to acquire customers. They're a great way for you to offer educational value to prospective customers, and they're a good medium for providing technical information about your product or service. Because of that, they can effectively pull those prospects still in the consideration phase out of the woodwork, and they can help you to accelerate deals already in motion.

You can promote your webinar using your email database of leads. Don't be afraid to be aggressive here: you can send out multiple emails to get as many people to register as possible, and you should also be sure to send multiple reminder emails to ensure that people who register actually attend the event. Once the webinar is over, send out the recording and encourage people to call or email to get more information.

There are a few things you can do to keep your audience engaged:

1. Put polls or questions into the content.
2. Try and build a rapport and get as much back and forth as possible.
3. Add in a survey at the end to gather market intelligence to hone your marketing.
4. Keep it short: 30 minutes is best, but 45 is you really need more time.

Case studies

According to research in *Harvard Business Review*, the case study is the single most read piece of content that companies produce. Humans are social animals. We are natural conformists who rely on social proof to validate our own behaviour. And this makes case studies extraordinarily powerful pieces of content marketing. They show that someone similar to your prospective customer has achieved success using your product or service.

Case studies are particularly effective if you can quantify results. Quantitative data helps your prospects to understand the source of value, and it gives them a very tangible, specific aspiration.

Case studies are also effective because they can be used to tell a compelling story about your product or service. According to the copywriter Bob Bly, case studies should be written like journalistic articles—instead of producing a dry analysis, tell an exciting story about how one customer achieved all that they ever dreamed of because of your product.

To make the most out of your case studies, try to get as much content as possible:

- Bring a videographer with you to interview the client in person and make a video case study
- Edit down the best bits to a 90-second video
- Get the best snippets for 10-15 second social media video ads
- Turn the interview into a customer story page on your website
- Build a downloadable PDF case study that’s longer and more detailed
- Run a webinar where you interview the client on what’s been successful

Viral content

A lot of marketers scoff at the idea of creating viral content as part of a go to market strategy. They don't take viral planning seriously. We do.

We take it seriously because the research on different customer journeys suggests word-of-mouth is the single most important factor. People hear about products from other people, so one way or another, a good marketer will need to find a way to drive word-of-mouth.

The second reason we take virality seriously is because one of the top business schools in the world does. There is some serious research on viral marketing that's happened at Wharton, the Ivy League business school at the University of Pennsylvania. Our foundation for viral marketing comes from Wharton Professor Jonah Berger, author of the book *Contagious*.

Here's the framework for creating viral content, called the *STEPPS* framework. Each letter represents a factor in virality. I'll walk you through each of these:

- ***S*ocial currency**. People like to share things that make them look good to others. For example, you might share a company's video if it makes you look intelligent.
- ***T*riggers**. People share things when they are triggered to do so with reminders. For example, Irish products are likely to get shared on St Patrick's Day.
- ***E*motion**. People share things that are emotionally arousing. Content that makes us angry or uplifted are likely to energize us to take action and share it.
- ***P*ublic**. When something is public, it is far more likely to spread than something that is private. For example, an Apple laptop with a visible logo is more likely to spread than a laptop with no logo on it.

- ***P*ractical value**. Things that provide practical, useful information are likely to get shared. For example, a tip sheet on buying a new home will likely get shared with a friend who is looking to buy a new home.
- ***S*tories**. People tend to think more in terms of narratives than in terms of facts. Embedding a brand message in a story with a beginning, middle, and end is more likely to be remembered and shared than a list of benefits.

5. Email marketing

Despite persistent claims that “email is dead,” it continues to be an incredibly effective demand generation tactic for both B2B and B2C channels. It’s cost effective and fast to deploy, and it can play a strong supporting role for other demand gen tactics like content marketing.

The basic idea of email marketing is to send out emails to your target audience, automatically and over a long period of time (called a “drip campaign”) to keep your brand top of mind, educate them on the problem you solve, and try and get them to convert to a lead or a customer with compelling offers or calls to action.

There are 4 common drip campaigns that apply to both B2B and B2C companies. Which campaign style you choose will depend on the resources, sophistication, and tech stack that you have access to. That said, remember: there’s no silver bullet in marketing—and this goes for email marketing as well. If you have the capacity, try multiple strategies and compare results at the end.

Email newsletter drip campaign

This is by far the easiest campaign to build and deploy. An email newsletter usually consists of a few content pieces that you’ve produced, some industry-relevant news, and perhaps some news about your business. If you’re a B2C company, the newsletter is usually an opportunity to show what new products or updates you have, and a chance to offer some kind of discount. Email newsletters usually go out to the entire user base, and you can streamline this process by using a tool like Mailchimp.

Audience-based drip campaign

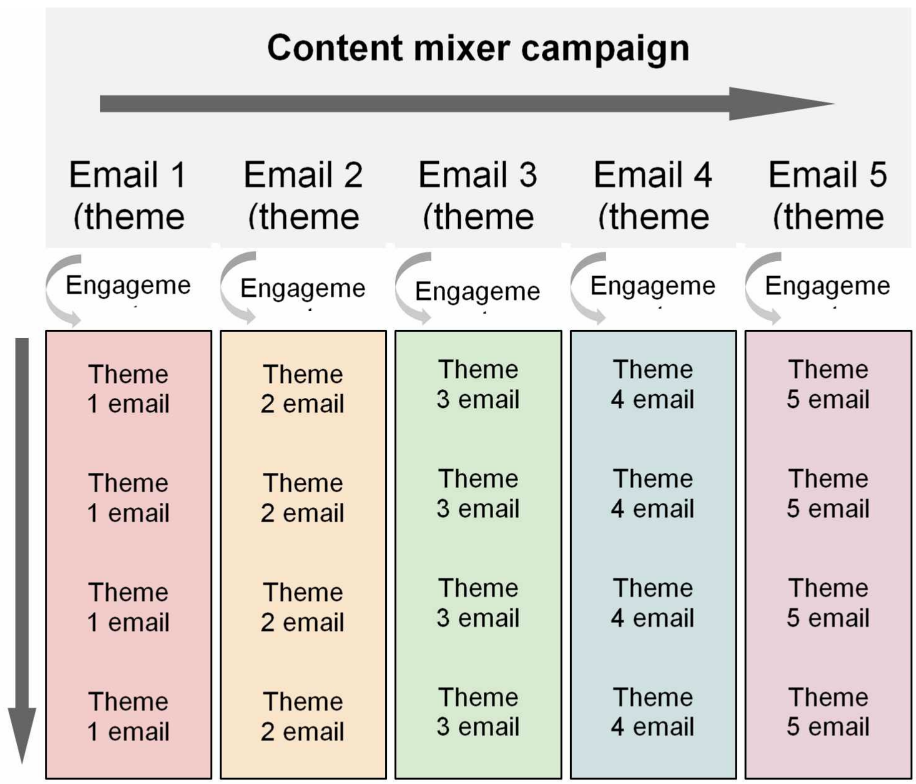
Audience-based drip campaigns are email campaigns that segment your target audience by who they are. For example, say you’re a B2B business who sells a complex product with lots of buyers involved in the process. You might separate out your buying committee into different personas, then serve them different content based on who they are and what your value proposition means to them. From a B2C perspective, this would be similar to segmenting based on demographic information, for example an e-commerce clothing company serving women’s clothes to women and men’s clothes to men.

Since audience specifics are usually fairly fixed, this can be executed with simple software like Mailchimp.

Content-based drip campaign

Content-based drip campaigns are designed so that you have multiple drip campaigns, each one focusing on content from a different product, value, or theme. Users are added to a top-level “content mixer” campaign, which has content from every sub-drip. When a user responds to one of the master mixer emails, they’re redirected so they then get served more content like the content they engaged with.

Content mixer campaign



Content-based drips are more complicated than audience and newsletters, for the simple reason that who gets what email—and what you’re basing that on—changes over time. But they tend to have better engagement, because you’re basing each new email on what worked effectively before. Since content-based drips are complex to execute, you’ll usually need to use tools like HubSpot, Pardot, Marketo, or Eloqua.

Intent-based drip campaigns

The last type of drip campaign is intent-based drip campaigns. Here, each new email that you send to a specific prospect is based on their previous engagement with your business. This engagement might be a website visit, previous email opens or clicks, clicking on an ad, or reading / watching / consuming / downloading your content.

In the B2C world, intent-based campaigns work well if you can retarget users based on the products they were looking at and didn't purchase. In the B2B world, intent-based campaigns can form a crucial part of your lead qualification process by serving content that is relevant to the particular point that the prospect is at in their decision process. Operationally, this is usually done with lead scoring. Users with a low score might be served content focused on educating them about the problem you solve. Those with higher scores might get emails that focus on quantifying the value of your solution (e.g. with an ROI calculator).

Don't let perfect be the enemy of good

Marketers often get analysis paralysis when they try to figure out how best to maximize their email efforts. I always chuckle when I hear people talk about the perfect time to send an email. The common wisdom is that Tuesday morning is somehow the optimal time to send out business emails. But I have also seen research suggesting that click-through rates are particularly high on weekends, even though open rates tend to be lower.

People have an odd fixation with the science of email timing—and they buy into the myth that there's a perfect time to get their email out the door. But —controversial opinion—I don't think it's all that important when you send your emails. The timing of your email send should be trumped by the *actual value that your emails provide*. Deciding whether to mention pain point A or B in your email is far more important than whether you send it at 11 a.m. Pacific or 11 a.m. Eastern time.

Marketers also spend a lot of time worrying about perfecting the graphics in an email. But I've seen research from HubSpot that suggests that plain text emails actually perform better than graphic emails—even though they take a tiny fraction of the time to produce. I've also seen basic emails produced in Outreach perform well, even though they don't have graphics at all. Customers often view basic emails as though they were coming from a friend. Whereas overly slick emails can have an aura of salesmanship that turns customers off. The bottom line: obsessing over design often isn't worth the effort.

It is very unlikely that your marketing is going to be so efficient that the extra dollars you gain from optimizing your email send time or your graphics will be worth the time it takes to do that. You're much better off spending time making your value proposition stronger or tightening your audience segmentation. So—don't let the perfect be the enemy of the good. And don't let the small details trump the big picture of your overall marketing strategy.

6. Display ads

Display ads are things like banner ads, YouTube pre-roll ads, and text ads that appear on websites other than your own. Depending on which ad network you choose, these can be priced per click (e.g. PPC), per 1,000 impressions, or CPM.

Generally, display ads are only effective as a brand awareness tactic. That's because their click through rate is far lower than channels like Facebook or LinkedIn. But they're often very inexpensive to run, and they allow you to retarget users from your website or email campaigns. For your target audience, this can create the impression that your brand is everywhere—as if you launched a big, expensive brand awareness campaign, when in reality you are spending pennies per impression.

7. Direct mail

That's right, old-school, physical, direct mail. Your direct mail could take a few forms: postcards printed from Postcardmania; handwritten notes produced and mailed by services like Sendoso for a personal touch; packages that include items like chocolates or merch.

Used well, direct mail can generate immediate results. For example, you can use direct mail to get a prospect's attention (maybe by offering a free product or trial) and then quickly secure a meeting through a follow-up email. Direct mail is also effective if your target audience is united by geography. For instance, if you're attending a conference in Texas, you might send direct mail promotions to the people in your CRM who live in Texas.

One example of this comes from when I worked at a large UK-based bank and insurance provider. I worked on the marketing team for pet insurance, and direct mail was a big part of our marketing mix. The reason we relied on this is that we were able to identify specific postcodes around the UK that over-indexed for pet owners (that is, if you knocked on 100 doors in that postcode, there was a greater chance of the resident being a pet owner than if you knocked on 100 random doors across the country). This made our direct mail cost effective, and thus gave us a good return on investment.

8. All the others...

There are, of course, lots of other tactics that you can add to your arsenal. These include out of home, traditional media, organic social media, influencer marketing, and more. And if you can layer these into your demand mix and they make financial sense, that’s great. But for most go to market plans, the 7 tactics listed above will get you most of the way there.

Brand vs demand marketing

Brand marketing is often presented as the opposite of demand marketing. In brand marketing, the story goes, measurement doesn't matter—it's all about storytelling and ethereal brand building. In reality, though, brand marketing is a channel like any other. It has metrics and targets. It's just not as easy to link the marketing dollars you spend to the revenue dollars you make.

Brand marketing is primarily focused on making as many positive impressions as possible in order to increase your *brand equity*—that is, the value your brand brings to your organization. A positive brand equity can be extremely powerful. For example, Apple's brand equity is a big part of why they can charge thousands of dollars for an iPhone. Positive brand equity can also act as a form of insurance. If your brand is tarnished in any way, your positive brand equity can help stave off a drop in revenue.

Brand marketing is also focused on brand awareness. Generally, *brand awareness* is a measure of whether people know your brand. But there are different ways to define and measure it.

The strongest approach is what's called *unaided brand awareness*. This means people can name your brand without any sort of prompts. For example, you might ask a consumer, "What luxury hybrid cars can you name?" They might say Lexus, Lincoln, and Cadillac. That's good news for you if you're marketing for Lincoln because you've just proven that at least someone has unaided awareness of your brand.

Another popular approach is *aided awareness*. This is where you, as the market researcher, provide a list of brands or prompts. For example, in a survey you might ask "Which of the following brands have you heard of?" If they check off your brand, then you've demonstrated that they have heard of your brand. This isn't as reliable as unaided awareness, but it's easier to measure and put into surveys.

If you're working on big brands, you'll likely get your brand awareness data from a third party such as Nielsen. Nielsen is one of the leading market research companies, and they provide software to track these sorts of KPIs. They regularly conduct research with customers to collect this data.

If you're working for a small company, you probably won't have access to this sort of data easily. You may need to send surveys out to random people within your target customer group to help you get a rough estimation of your brand awareness. One of the advantages of doing your own surveys is that you get highly relevant data. Rather than getting data from the general public, you'll be collecting data within your highly relevant target group of people. You can then measure your brand awareness over time to gauge progress.

There are other, more roundabout ways of estimating brand awareness, such as looking at search data for your brand on Google's keyword planner.

Here you can see that Mountain Dew has an average search volume between 100K and 1 million.

Brand	Yuppies	Deal-seekers	Practical buyers
A	30%	11%	5%
B	2%	11%	12%
C	3%	3%	8%

D	1%	19%	3%

Often what we're interested in is brand awareness by each of the brands in the market (including ours and our competitors') and also by each of the major customer groups in the market.

Here you can see that one of our customer segments, called Yuppies, is very much aware of brand A but pretty oblivious to the other brands. If we own brand A, then we can see a clear advantage here. Brand B is well-known in the two other segments. As a marketing strategist, this information is very useful. Brand A could benefit by advertising more to Deal-seekers. Brand D might benefit by boosting awareness among Deal-seekers as well.

Brand awareness and brand marketing, as a rule, involve big, expensive campaigns, and are usually better suited to mature products further along the product lifecycle.

When brands do and do not matter

I saw an interesting question on Quora recently: a user was wondering if brands become more important the more the product looks like a commodity. It's an interesting question, and we can use it as a jumping off point to demonstrate when and where brands play a significant role in marketing—and, maybe more importantly, when they really don't. This is crucial to dig into because I've seen too many companies invest heavily in branding that doesn't really yield any results. This section will help you to determine whether branding should be a priority in your go to market strategy.

First, let's look at a couple of commodities. Take gravel for instance. Here, branding doesn't really matter. Businesses will buy gravel regardless of what brand name is slapped on it. Now think about ketchup. Ketchup is a commodity too, but here branding actually matters quite a bit. So, we have two commodities where the role of branding is very different.

Now let's consider something that's not a commodity. Take a Rolls Royce, for example. Here, branding is extremely important for driving purchases.

Okay, so what's happening here? In order to understand, we need to break this down. The best place to start is with the 7 marketing tactics that create value in the market. These are:

1. Products
2. Brands
3. Services
4. Prices
5. Communications
6. Incentives
7. Distribution

With commodities like gravel, the product itself doesn't really create value. That's because it is indistinguishable from the competitors' products. So—if the product isn't creating the value, does that mean the brand needs to?

In some cases that is true, but not always. Think back to our gravel example above, where we determined that branding doesn't really matter for selling this basic commodity.

So, to really unpack how brands create value, we need to go a level deeper. Essentially, there are three ways that brands can create value:

1. They create *functional value*, such as communicating the quality of the product.

2. They create *psychological value*, such as portraying your identity through clothing labels.
3. Lastly, they create *monetary value*, such as communicating the price positioning.

With business-to-business commodities such as gravel, the psychological value of the brand doesn't really matter. Nor does the functional or monetary value. If you have a product where brand doesn't create any of these values, pouring time and resources into branding isn't going to be valuable.

But with business-to-consumer commodities such as ketchup or corn flakes, the brand actually *does* create psychological value. When the person eats corn flakes, the brand itself has an impact on the eating experience. You may actually enjoy the product more because it was branded in a certain way.

The bottom line: brands matter more in contexts where they can create functional, psychological, and monetary value.

How to build great ad creative

There's no single formula for building great ad creative, but there are three major approaches that you can consider.

When I worked on TV ads, the approach I used—and the one I recommend—was developed by the acclaimed Leo Burnett advertising agency. It's called "The Big Idea." You focus on a single benefit, and then highlight attributes that support that benefit. In other words, you communicate one benefit, but you provide prospective customers with multiple reasons to believe in that benefit.

The inverse of this is talking about multiple benefits and a single attribute that creates those benefits. For example, automation might lead to lower labor costs, faster processing, and reduced wait times.

A third approach is storytelling. This one is gaining a lot of traction in the business world today. Humans generally think in terms of narratives, so we can easily recall ads that fit a natural story. With this approach, you typically want to present your product or your offer as the hero of the story.

Many companies will already have a formulate for how to do ads. But advances marketers need to know the right time to use the right approach. To learn more about these approaches (and when they're most useful), I'd suggest reading *Advertising Strategy* by Brian Sternthal and Derek Rucker. But here is a quick and dirty guide:

- **Approach 1**, where you focus on a single benefit, is a good approach when you have a single benefit with lots of attributes to support it. For example, Volvo is safe because it has airbags, a collision warning system, and a blind spot information system.
- **Approach 2**, where you focus on multiple benefits, is best where you have a very specific, unique attribute that offers your prospective customers a whole host of benefits. Our automation example applies again here: automation increases speed and accuracy, which in turn saves your customers' time, money and other resources
- **Approach 3**, storytelling, works best when it's important to *demonstrate* the benefit(s). For example, it might work best when it's difficult to convey the value of the product without showing a case study. Storytelling also works well if the product has some kind of emotional or psychological value.

Of course, there are other creative strategies that can work in certain situations. For example, if your product has a very strong point of difference, you could simply communicate that buying the product will yield a particular benefit. This aggressive approach can work if the product is unique.

Or, if your product is complicated, analogies can be much better at communicating value than any other creative approach, because they allow you to relate something your prospects don’t understand to something with which they’re already familiar or comfortable.

Chapter summary questions

- Have you clarified the demand generation process, including definitions and responsibilities, with the go to market team?
- Have you identified your target demand tactics and developed, hired, or outsourced capabilities in each?
- Have you identified key tactics for every stage of the demand generation funnel?
- Is branding going to be a key part of your marketing strategy?