

**If you suspect that half your marketing efforts are being wasted...**

# You need to know which half.

**A Marketing Audit can tell you.**

Over fifty years ago, John Wanamaker was supposed to have said that half of his advertising was wasted. His problem was that he did not know which half.

If you suspect that half your advertising dollars are being wasted but are unsure which half, you need a Marketing Audit and then you need to apply corrective action.

**Let Keith Bates show you how...**



## MARKETING AUDIT

### PROCEDURES DOCUMENT

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# PREPARING FOR A MARKETING AUDIT



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## MARKETING AUDIT

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**AFTER  
CORRECTING THE  
COMMUNICATIONS  
DEFICIENCIES  
IDENTIFIED BY THE  
MARKETING AUDIT,  
WHAT BENEFITS  
CAN I EXPECT TO  
ACHIEVE?**

- Explore the Blue Ocean strategy and positioning concepts
- Eliminate waste of both time and materials in the production of marketing services deliverables.
- Improve productivity of your interactive ad agency, your in-house digital marketing, your social media, your word of mouth marketing efforts, your blog, your ads, collateral, PR, promotions, your experiential efforts and many others.
- Sharpen the competitive edge of your sales support activities.
- Increase the reach/frequency of your ad messages with no increase in cost.
- Achieve greater penetration and expand awareness of your message into the market.
- **MOST IMPORTANT OF ALL, AN EFFECTIVE PROGRAM OF INTEGRATED SEAMLESS COMMUNICATIONS WILL IMPROVE YOUR COMMUNICATIONS R.O.I. AND REDUCE YOUR COST OF SALES SUBSTANTIALLY.**

## **MARKETING AUDIT**

# **INTRODUCTION**

**An opening statement  
by Thomas Perkins,  
formerly with Hewlett-  
Packard, and taken from  
William Davidow's book,  
"Marketing High  
Technology",  
sets the stage for the  
INTERNAL MARKETING  
**AUDIT****

"Many years ago, I found myself managing a computer business ... and loving the challenge, but frustrated by the brutal competition from my sixteen sister divisions for marketing and other resources.

### **THE INTERNAL COMPETITORS MADE THE EXTERNAL COMPETITORS LOOK MILD."**

The Internal Marketing Audit, if successful, will uncover the ways in which people are unconsciously, and with no malice aforethought, aiding and abetting the competition.

## MARKETING AUDIT

### 1 WHAT IS A MARKETING AUDIT?

A Marketing Audit is really the first crucial step towards achieving communications power; the persuasive penetration of your product's audience through an application of the Marketing Engine, a process approach to marketing communications designed to lend wings to your marketing and spurs to your sales...and support a unique position.

**S**imply stated the most powerful communications is the simplest. It makes a single statement with a strong emotional appeal. Extraneous information is stripped away so the promise the product or service makes is sharply in focus.

To achieve this focus, marketers must concentrate their efforts in acquiring knowledge and understanding of their customers' needs, real and perceived, and in terms of their language.

**One caution: The viewpoint from which this knowledge will be drawn is as important as the accuracy... and while information will be drawn from a wide range of highly sophisticated sources, THE VIEWPOINT MUST REMAIN THAT OF THE CUSTOMER.**

Integrated direct marketing offers a tactical approach to concentrating one's communications forces to achieve greater impact. A very simple analogy demonstrates this point: Imagine picking up a hammer and a nail. Now, instead of driving the nail into a piece of wood point first, reverse it.

**D**ecisions made as a result of changes in attitude and beliefs on the part of customers are primarily triggered by emotional appeals, which are then quickly rationalized, or justified by the application of logic. But these changes, either in beliefs or behavior, are always done in the CUSTOMER'S TERMS.

Pounding on the point in an effort to drive the large flat head of the nail into the wood is what many business-to-business marketers are doing today. Maybe not so blatantly as this illustration, but any time the messages or actions of your marketing communications are inconsistent with one another, you are attempting to penetrate the mind of your audience using the head of the nail rather than the point.

Developing a program of integrated seamless communications is the methodology whereby we squeeze every last bit of latent energy out of our communications efforts. And the Marketing Audit shows you your current position on the ladder toward successful communications.

# **External** **& Internal** **Audits:** **Defined**

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## **EXTERNAL:**

The external Marketing Audit is a review of your marketing communications, every single facet of it, from top to bottom! Not just your web site, but social media, word of mouth marketing, PR, email marketing, packaging, collateral, trade show displays, products, corporate ID, email, direct mail, telemarketing, blogs, and webinars as well. The Audit searches for inconsistencies in message and appearance. It searches for a lack of focus and continuity between what's promised and what's delivered. Most of all, it seeks to determine if the company is speaking with one voice; and whether the perception by the market matches the perception of management. And following this analysis, it offers suggestions for repairing weak links in the total communications chain.

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## **INTERNAL:**

Ultimately the goal of the internal Marketing Audit is to identify obstacles to the communications process among employees and vendors. Misunderstandings and communication breaks, which cloud the perception of a shared vision, need to be corrected. A detailed analysis of every communications device, every marketing attitude, every bit of customer related knowledge, and the relationships between all departmental entities will be documented, studied, and cross-examined for processes that should be eliminated and those which should be repaired. It's important that a simple, focused understanding of the product's promise to its users be clearly understood by every employee, as well as a clear picture of the perception the company wants to possess in the marketplace.

# **30**

## **Reasons Why You Need Internal and External Audits**

1. Improve your marketing return on investment.
  2. Enhance the impact of your marketing efforts.
  3. Extend your message reach and frequency without extending budgets.
  4. Reduce wasted time and materials in producing marketing services deliverables.
  5. Improve ad agency productivity
  6. Improve in-house marketing productivity.
  7. Sharpen the competitive edge of sales support activities.
  8. Reduce the production costs associated with new creative efforts.
  9. Achieve greater message penetration.
  10. Expand the awareness of your communications.
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11. Tighten the focus of your communications and minimize confusion over your products positioning.
  12. Form the basis for a program of integrated seamless communications.
  13. Develop a clear understanding of which parts of your current marketing program are effective and which are not.
  14. Form the basis for total marketing tool accountability.
  15. Strengthen and achieve better focus for Buzz and Public Relations.
  16. Identify inconsistencies between graphics, message, and your company's mission statement.
  17. Locate breaks in communications continuity between promises made and products delivered.

## **30 Reasons Why You Need Internal and External Audits**

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- 18. Determine if the market's perception of your company matches management's perception.
  - 19. Point out weaknesses in communication skills
  - 20. Provide a visual/verbal checklist, or set of standards against which to measure future marketing efforts.
  
  - 21. Simplify the monitoring of communications activities.
  - 22. Encourage you to probe deeper into your customer's needs, both real and perceived, and to communicate in their language.
  - 23. Force you to sharpen or develop a deliverable positioning strategy.
  - 24. Suggest rethinking your company/marketing missions and to consider bottoms up marketing vs. the traditional top down.
  - 25. Help you treat marketing warfare as if your company's life depended on it.
  - 26. Locate weaknesses in your present communications which may suggest a more serious approach to competitive intelligence.
  - 27. Demand that a comprehensive communications support plan, be developed ASAP.
  - 28. Appreciate the need to understand and reach various audience levels simultaneously.
  - 29. Form the basis for your media strategies, both social and traditional.
  - 30. Help achieve a balance between long-term and short-term communications needs.

## MARKETING AUDIT

# 2

## PREPARING FOR THE AUDIT

**15 Questions to ask yourself prior to beginning the MARKETING AUDIT.**

1. Do you have a company mission statement? Clearly defined? Understood and accepted by every member of the company?

**2. Do you have a clearly articulated Value Proposition and powerful Differentiation statement on which to build your communications strategy? Is it consistent with the company's history and current perception in the market? Is it based on a positioning strategy (relative to both market and prospect's mindset) that is realistic?**

3. Have you thoroughly studied, and documented, your current market position, your product's fit to market needs, customer attitudes toward your products, current company image, the competitive environment, prospect feedback on satisfaction?

4. Is your marketing objective clearly defined, both short-term and long-term? Are sales goals clearly defined, profit levels too?

5. Is your communications strategy well developed and objectives, such as awareness and lead flow, agreed upon and understood by all levels of management? Is your approach to marketing top down or bottoms up? (Defined: Do you build a strategy and force it on the market, or do you see what works and build a strategy to encompass it?)
6. How well do you know your audience? All levels ... primary, secondary, influencers, and decision-makers. Do you understand the reasons for audience resistance? Have you defined a receptive environment?

## **7 How thorough is your competitive intelligence? Have you developed a CPC (Competitive Products Comparison) guide ? What alternative marketing positions have you explored?**

8. Are you agreed on a marketing position statement? Have you ever prepared a detailed creative strategy prior to launching a communications program?
9. Do you have a mathematical formula for anticipating sales relative to various qualities of leads? Do you have a precise monthly lead flow quota?

10. Have you applied stringent accountability parameters for all your communications functions?

11. Do you carefully assess every known communications vehicle before launching new campaigns? Do you weigh the continuity and consistency of the new vs. the old?

## **12 Do you have a detailed communications flow chart to plot all activities for the next 12 months? Have you accurately assessed the cost of the elements?**

13. Do you recognize current customers as corporate assets and plan accordingly for an ongoing communications plan addressed specifically to them. Is there a detailed plan for communicating to the 20% that bring in 80% of the billing?

14. How serious do you consider Content? Do you have a coordinated program of research, creating, curation, copywriting for both online and offline...as well as PR, or do they go their separate ways? For more on Content visit [www.kbates.com](http://www.kbates.com) and scroll down page one for the Content Infographic.

15. Have you explored Word of Mouth Marketing and all aspects of Social Media, the current marketing industries hottest new approach that combines elements of PR, traditional marketing communications and the Internet? If so does your product or service qualify for “newsworthiness”?

# **Information That Can Be Helpful-Critical In Beginning The Audit**

## **1. BACKGROUND**

- Review of 15 items in Preparing for Audit (p10)
- Business Plan
- Financial statements for last two to three years
- All available research: any studies of market, product, prospects, or customers
- Current and past advertising/PR efforts
- Competitors communications materials (all) past 12 months
- Detailed analysis of marketing efforts and results, past 2 years

## **2. MARKETING PLAN**

- Situation analysis: resources, potentials, forecasts, market share, and sales history
- Company mission, scope and goals
- Current sales organization; objective, strategies, tactics
- Current marketing organization; objectives, strategies, tactics

## **3. COMMUNICATION PLAN**

- Articulate Value Proposition then differentiate, USP.
- List of communications vehicles, functions used
- Objectives, strategies, tactics
- Communication functions flow chart
- Reach and frequency summary
- Measurement criteria for communications accountability
- Competitive Product Comparison (CPC) guide

## **4. COMMUNICATIONS SUPPORT**

- Scheduling
- Funding, budgeting
- Dependencies
- Details of marketing budget vs. actual, past 2 years

## **5. CUSTOMER DEVELOPMENT**

- Sales history past 3 years
- Details of programs in place to protect your most valued assets
  - Your corporate/product brands
  - Your customer database/loyalty programs

## **6. SALES DEVELOPMENT**

- Sales team bios
  - Channel marketing directives / Field reference materials
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**NOTE: The completion of the Marketing Audit leads to the development of the other two Planning Stage Modules: Strategy and Communications. The Communications module includes the Creative Process (with creative elements, copy platform, theme/image standards, and market specific messaging). We then move from the Planning Stage to the Execution Stage (arsenal, tactics, and measurement).**

# **The Marketing Audit Short Form Requirements**

## **Why short form requirements?**

Because something is better than nothing...and we often encounter clients who have a need but not the financial or personnel resources to execute a full Marketing Audit.

We then offer an abbreviated version.

## **Marketing strategy checklist:**

- Define your company mission.
- Determine your basic marketing strategy.
- Define the market for your business.
- Who are your competitors?
- Identify environmental trends impacting your business.
- Define your core selling proposition.
- Determine how to put your offer in the hands of your prospects.
- Media to be considered that best reaches your primary market.

## **Communications strategy checklist**

- Define the communications audience.
- Problem for which you have a solution, as perceived by the market.
- Objective of the communications effort.
- The communications strategy.
- Key message, USP, or differentiation.
- Support; reasons to believe.
- Desired response to communications effort.
- Required mentions.

## **The Marketing Audit Short Form Requirements**

### **Primary contact communications blueprint**

**CUSTOMER PROFILE:** Characterize the customer so that he/she comes alive as an individual (personas)

**KEY RATIONAL FACT:** Describe the singular physical, tangible, rational characteristic that benefits the customer.

**KEY EMOTIONAL FACT:** Describe the distinguishing emotion/feeling that the customer derives from the product/service.

**CUSTOMER BENEFIT:** State what the product/service does for the customer.

**BENEFIT DIMENSIONS:** Succinctly state why the benefit is believable to the customer.

**NET IMPRESSION:** Crystallize what the customer should take away from the communication.

**KEY INFLUENCERS OF THIS PERSON:** List superiors, subordinates and peers who influence our primary target.

# 3

## Role **WITHIN** the MARKETING **ENGINE**

### What **IS** a Marketing Engine?

**I**t's a systems approach to the process of sales and marketing. It evolved from experience gained as a sales/marketing communications consultant to more than 200 B2B marketers over many years and blends the disciplines of Business Process Reengineering (BPR) and Integrated Marketing Communications (IMC).

**The ENGINE drives revenue enhancement by reducing the waste and inefficiency of the typical random task approach to communications and consists of six modules (shown below): three for planning (audit/strategy/creative) and three for execution (arsenal/deployment/measurement).**

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### **PLANNING**

#### **AUDIT:**

The process starts with an external audit to determine if the company is speaking to the market with one voice and concludes with an Internal audit to avoid breaks in a shared vision.

**STRATEGY:**

A Communications Support Plan is then built around critical strategies incorporating elements of TALC (Technology Adoption Life Cycle) and AIM (Accelerated Integral Marketing).

**CREATIVE:**

A creative repository is developed, incorporating Core Intelligence from the Audit/Strategy modules and Theme/Image standards which have evolved from the application of creative skills.

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**EXECUTION****ARSENAL:**

Construction of the Marketing arsenal involves drawing from the Theme/Image standards residing in the creative repository to build an integrated marketing communications tool kit.

**DEPLOYMENT:**

Elements of the tool kit are now deployed to fit a media strategy and the disciplines of the AIM program, which reduces the cost of sales through the use of Buyer Receptivity Profiles.

**MEASUREMENT:**

Lead management is handled by the clients choice of sales force automation tools, currently referred to by Gartner Group as Opportunity Management Systems. With the advent of social media the arsenal of measurement tools has grown dramatically.

## MARKETING ENGINE

# Why USE a MARKETING ENGINE?

**It gets you to market faster because:**

- The random task approach to marketing communications is eliminated.
- Cross-functional teams accelerate understanding and tactics.
- Parallel development of strategy is faster than sequential, speeding campaign launches.

**Improves return on marketing dollars by:**

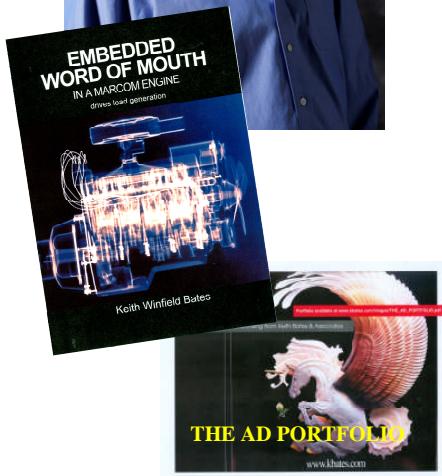
- Compressing response times to speed up leads, market awareness.
- Greatly improving message retention and intensity of repetition.
- Substantially improving message penetration.



**It dramatically improves your  
odds of becoming the  
800 lb. gorilla in your market!**

## MARKETING AUDIT

# 4 ABOUT THE AUTHOR



Keith Bates is an online/offline **technology company-focused** Creative Strategist. Operating as CEO/Creative Director of Keith Bates & Associates Inc., one of the nation's leading high tech ad agencies for many years, the agency has recently downsized and evolved into a consulting firm with a focus on strategic planning, branding, and creative strategies. The Marketing Engine, developed by Keith, is the backbone of the firm's efforts. He is also an advocate of Eric Ries' The Lean Startup and Blank's The Startup Owner's Manual.

**H**is agency's work is responsible for sales exceeding \$20 billion of technology products and services worldwide. He is also a serial entrepreneur having launched six corporations.

Keith is a well known professional in the field of high tech marketing communications, contributing author to numerous industry publications, and communications consultant to Boeing, Computer Associates, JD Edwards (now Oracle) IBM, KPMG, SPSS and over 200 others. His ad career began with Foote, Cone & Belding, at one time the world's leading consumer ad agency. He is a Charter Member of WOMMA (Word of Mouth Marketing Assn), active in the BMA, is deeply involved in the ITA (Illinois Technology Association) and for several years was a judge for CDMA contests.

