

connect

ENGAGING MARKETING MINDS

JULY / AUGUST 2023

UNLOCKING INSIGHTS

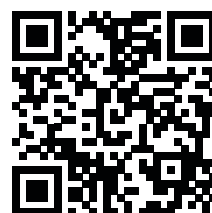
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RESEARCH IN BUSINESS STRATEGY

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A SEAT AT THE TABLE

Just like a person who chooses to use ChatGPT and shortcut their way to success, poor-performing brands look for a quick buck. History is riddled with stories of people trying to take an easy path to victory only to fall short. With a short-term mindset, enrichment becomes elusive.

The pandemic forced everyone to eliminate long-term planning. Most businesses couldn't plan for a week, let alone for a year. But as we move forward, there is a return to longer-term vision and effort. Companies are starting to dream a bit more and are focused on the customers they serve, rather than simple survivability.

Another compelling trend seems to be the increasing role of marketing for most businesses. With an obvious decrease in face-to-face interaction, brands must find new ways to develop a relationship with the community. Combined with a world of digital disruption and changing consumer expectations, marketers are no longer seen as the "sales support" department, but rather as a strategic partner in driving business growth.

The best-performing companies have always reserved a seat at the big table for marketing. At their core, they understand that marketing is becoming increasingly customer-centric, with a greater emphasis on building deeper relationships with consumers. They also know that marketing is the key to long-term success.

There is no shortcut to success. It requires thoughtfulness and a commitment to serve. The best brands have pulled out a chair for marketing because it leads the way in developing innovative strategies that focus on building brand equity and driving customer loyalty. This is our time, and not for some bot that will never understand the client like a marketing-minded person.

As you read through this edition, take pride in the fact that real people were interviewed, and the stories were inspired by insights from top-level marketers. Our cover story, "Unlocking Insights," notes that competition is fiercer than ever and highlights the importance of competitive intelligence. In our second feature, "Bridge the Gap," we dive into the disconnect between sales and marketing and why it is so critical to marketing; but with the way customers have cocooned themselves, it is time to ensure that both roles are aligned, which is more important than ever. And our Q&A talks about the impact that AI is having on marketing.

All in all, marketing has a seat at the table, and the plate is full.

All the best,

Gina M. Danner
CEO



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“BY BLURRING THE BOUNDARIES BETWEEN SALES AND MARKETING, TEAMS CAN REDESIGN THEIR RELATIONSHIP AND WORK TOWARD A COMMON GOAL, RESULTING IN MORE EFFECTIVE REVENUE GENERATION.”

— SARAH MCCONNELL,
VP, DEMAND GENERATION, QUALIFIED

Connecting Sales and Marketing

Bridge the Gap

THE DISCONNECT has always been there. And if you think it was hiding in plain sight, you may not have been paying attention. According to a recent Gartner Sales Practice study, sales efforts are torn when it comes to when and how to use human-led and/or digital-led channels when engaging with customers. The study shows that 75% of B2B buyers prefer a rep-free experience, while those who purchase through digital channels alone are more likely to regret their purchase. Interestingly, buyers who are led by sales reps are less likely to complete a high quality deal.

What's a brand to do?

Dave Dabbah believes the first step in the solution is the simplest: Make sure you clearly define the lines between sales and marketing, and how they complement each other. Dabbah, CMO of cloud

workforce solution Robocorp, says that one of the common mistakes companies make is not having a clear understanding of their product-market fit. This happens when companies desire to be or create something specific, but fail to consider customer feedback. He refers to the process as trying to fit a square peg into a round hole.

Another common mistake is shifting goalposts, which Dabbah says also ties back to the importance of product-market fit. Companies must understand how their customers use their products and ensure that their messaging aligns with the product direction. This is especially true for startups, which often face significant pressure to scale quickly.

“Identifying and measuring the gap between sales and marketing is critical to building a successful and long-lasting business because closing it can significantly increase revenue,” Dabbah says. “The key to measuring this gap is to ensure that everyone has a clear understanding of the goals being set and the metrics being used to measure success. For example, there may be differences in how each group measures pipeline metrics, such as marketing qualified leads (MQLs), sales qualified leads (SQLs) and qualified leads (QLs).”

At his previous company, the sales and marketing team found that QLs were the most important metric to the process. While QLs were actually created by the sales organization, it conducted weekly evaluations as a team to review each QL and ensure the estimated value was accurate. "Closing the gap between sales and marketing really requires that kind of commitment—an ongoing communication and collaboration between the two teams," Dabbah says. "By working together to establish clear goals and metrics, companies can build a strong foundation for long-term success."

When the benefits are clear—when sales and marketing teams reach the point of alignment affinity—the confusion over what a sales team has in their pipeline or when a timely contract closes is eliminated. When teams are diligent and stick with a communication loop, they have the ability to begin forecasting and experiencing growth at scale. Communication, above all else, should be a top priority.

Dabbah believes that initiative starts at the top. "An executive team should set a standard method of communication for their teams. There's a theory that too many meetings a day is a bad thing; however, I tend to go in the opposite direction, especially in my experience at smaller companies and startups. I've found that the more you communicate, the greater the alignment between teams."

And because the methods in which sales and marketing teams communicate are constantly shifting, finding the right

balance is critical. "My team has moved pretty far away from email," Dabbah says. "Now there are platforms that enable real-time communication, such as Slack or Teams. Whichever technology you prefer, the way you send the information is different. It's no longer a one-to-one method; it's one-to-many. I still do a lot of direct messages with my team, but we are far more open and transparent in putting out messages to larger groups of people at a time, which keeps everyone informed at the same time. I have found that there is definitely a performance increase with real-time communication."

Building your product pipeline

Close your eyes and picture a Venn diagram for sales and marketing functions and their systems. Now focus on the set of technologies and processes you need to help generate more sales in the intersection between the two.

Eric Sikola, President and COO of conversational marketing solution for Salesforce users Qualified, calls this the Pipeline Cloud. To help his team get a better feel for the process as a whole, he established the Pipeline Council, which looks at only one number of qualified leads. The Qualified team does not separate QLs by sales and marketing; they only have one number as a sales and marketing team they consider.

"We don't just talk the talk—that's why we created the Pipeline," says Sarah McConnell, Qualified's VP of Demand Generation. "By eliminating the separation

between sales and marketing leads, our teams are working together toward a common goal with shared responsibilities."

McConnell says to bridge the gap between sales and marketing teams, it is important to establish best practices that promote collaboration and reduce tension. This can include sharing structures, systems, processes and rewards, or engaging in joint planning and training sessions and developing shared metrics. By implementing these strategies, businesses can ensure that sales and marketing teams are able to collaborate effectively and reduce tension.

"The alignment of sales and marketing teams has always been a challenge for businesses, with overlap between the two functions leading to friction and finger-pointing," McConnell says. "The way we see it is that full integration of the two teams is not only possible, but non-negotiable for modern revenue teams to thrive."

If the process remains in constant flux, the other alternative is to close your eyes and picture how much the misalignment is costing your company. Or, better yet, how much more value it could create if your sales and marketing functions were integrated. "By blurring the boundaries between sales and marketing, teams can redesign their relationship and work toward a common goal, resulting in more effective revenue generation," McConnell says.

While the competition can be healthy, it is much better to avoid the divisiveness and find the missing partnership link. ■

**HABITAT FOR HUMANITY OF KANSAS CITY
AND NEXTPAGE ACHIEVE 270% LIFT!**

In 2022, yielding their highest ROI to date, Habitat KC partnered with NextPage to create a winning strategy for their end-of-year appeal campaign. A review of the A/B testing results concluded that most of the donations came from the cookieless IP Targeted audience resulting in a 270% lift compared to the control group.

THE CHALLENGE

INCREASE DONATIONS, MAXIMIZE CTR

Habitat KC wanted to increase their donations over the 2021 benchmark end-of year appeal campaign. In addition, they sought better understanding why the high click-through rate experienced with direct mail and cookieless IP Targeting ads did not yield more conversions.



THE SOLUTION

IMPLEMENT STRATEGIC CHANGES

In collaboration with the NextPage team, a deeper dive into why the CTR to conversion rate was low, a strategic deployment of a comprehensive campaign leveraging direct mail, cookieless IP Targeting, and a shape-cut outer envelope enhanced the campaign's overall engagement and outcome. Other strategic changes that aided the increased conversions included:

- Optimization of the landing page to improve donor experience.
- Relocation of the donation button to top of page.
- Shape-cut envelope used to increase awareness.

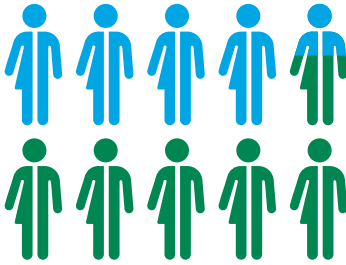
THE RETURN

270% LIFT IN CONVERSIONS

- Doubled the CTR conversion rate of direct mail alone.
- Addition of IP Targeting to direct mail - more than tripled the conversion rate.
- Highest grossing appeal campaign to date.
- Valuable insights gleaned into donor behavior for future campaigns.

THE DIRECT MAIL CAMPAIGN

10,337 TOTAL RECIPIENTS



Received **only** the direct mail piece.

44%



Received the direct mail piece **and** IP Targeting.

56%



CONVERSION RATES



CLICK-THROUGH RATES



Lift: Increase in the likelihood to convert by including cookieless IP Targeting.

$$\text{LIFT} = \frac{\text{Test Group} - \text{Control Group}}{\text{Control Group}} \times 100$$

UNLOCKING INSIGHTS

The Importance of Competitive Research in Business Strategy

BACK IN 2010, long before the rest of the business world would grasp the benefits of operating in the cloud, Valeh Nazemoff decided to have her staff start working remotely. With the concept being so new, many companies, including her own team, were hesitant. But Nazemoff, founder of the digital marketing firm Engage 2 Engage, went for it. At the time, many applications were still in beta mode, including Microsoft Office 365, and technologies like mobile apps were in their infancy. Fiercely determined and channeling her inner entrepreneur, she transitioned all of Engage 2 Engage's



“WE EMBRACE OUR COMPETITION TO HELP PUSH US TO OUR NEXT LEVEL, SO WE ARE CONSTANTLY ELEVATING OUR SERVICE DELIVERY.”

— VALEH NAZEMOFF, FOUNDER, ENGAGE 2 ENGAGE

applications digitally, including the accounting software package QuickBooks and its newly released payroll mobile app. “I was able to gain a competitive advantage because going to the cloud, using mobile apps, and running my business and people remotely saved significant time and cost. The decision helped me keep up with the competition.”

Some of the vindication in Nazemoff’s decision can be seen in a firm that she has scaled into multi-million dollars without a sales team. The best-selling author, who had one of her book’s sponsored by a global software company in support of its multi-million-dollar rebranding effort, was (and continues to stay) ahead of the curve. Not many people—i.e., her competition—would fully understand the scope of how she was running her business until the pandemic forced everyone, everywhere to change their thinking. “When the pandemic hit, suddenly everyone wanted to do what I was doing for 10 years.”

The most important lesson you can take from Nazemoff’s story is that you should

know what your competition is doing at all times—and don’t be judgy. “Look at your competition as an inspiration to help you improve, disrupt positively, be innovative, and to think of partnerships. Shift your mindset to embrace competition. Competition helps us improve ourselves, those around us and society.”

For Nazemoff, it is important to know what your market is thinking. What issue is it facing? What services do her clients and potential clients wish that they have or could be tweaked? The importance of ensuring that her employees are aware of the competition and their offerings is covered in her book, “The Four Intelligences of the Business Mind.” The book offers practical strategies for business transformation based on research from organizational psychology, neuroscience, business analytics and multiple intelligence theory.

“The practice of Masterminding Intelligence helps with competitive intelligence,” Nazemoff says. “The technique involves evaluating our customer persona, addressing objections and pain points, and

evaluating our programs, packages and pricing. Based on that, we address who our competitors are and how they are doing it better. We look for inspiration. We embrace our competition to help push us to our next level, so we are constantly elevating our service delivery. With that mindset, we then address what changes we need to make with our technology or methods so that we can be leaders, better, faster, delivering more quality and producing more ‘wow’ for our market.”

The most important tool for keeping an eye on the competition is to listen. Knowing what keeps your competition up at night and what you can do to help alleviate that is critically important. “I see what my competition is doing about it to address the issue, then I look for ways to see how I can do it better or to even come up with a solution if the issue is not addressing the market pain point.”

“We recently launched the Wolves’ Den Incubator Program to help bold start-ups revolutionize their digital marketing game and bring their vision to life through impactful digital measurement, creative and content, and strategic consultancy. We’re all too familiar with the struggles of building a brand from scratch so we wanted to give young companies the opportunity to achieve their goals with the help of expert guidance and growth insights.”■

THE QUEST TO **SEPARATE YOURSELF**

When Derek Chew and his wife, Gianina, saw a disconnect between brands and large advertising agencies as marketing executives, they knew there was an opportunity for a company dedicated to creating more effective ROI-focused campaigns. In 2017, they created Fullmoon Digital (FMDM) to help connect the dots that others had neglected to make.

Oh how times continue to change. Today’s marketing landscape is more competitive than ever, driven by a rise of digital technologies, more companies operating globally, changing consumer behaviors and the continual full-throttled approach to data-driven marketing.

These changes have not only forced companies like Fullmoon Digital to adapt marketing strategies and tactics, but they also have to double down on keeping up with the competition. “In highly competitive industries where the landscape is constantly changing, it may be necessary to analyze your competition on a regular basis—weekly or monthly,” says Derek, co-founder and CEO. “The frequency of analyzing your competition’s strengths and weaknesses depends on things like the nature of your industry, the pace of change and the resources available for competitive analysis.”

FMDM uses a variety of strategies to track the competition, including

conducting competitive analysis, monitoring social media, attending industry events, using SEO tools like SEMrush, Ahrefs and Moz, and mystery shopping. “It is important to note that while it’s useful to keep an eye on your competition, you need to stay focused on your own strengths and unique value proposition. Obsessing too much about your competitors can lead to a ‘me too’ mentality, which can prevent you from differentiating your brand and standing out in the market.”

Balancing the need to stay up to date with your competition while maintaining your own unique brand and identity can be challenging. Derek

offers several strategies you can use, including focusing on your own strengths, developing a strong brand identity, monitoring your competition strategically, staying innovative, and continually analyzing and adapting. “Get to know your competitors better. Research their offerings, understand their strengths and weaknesses, and identify where you can differentiate yourself. Once you have a better understanding, focus on your unique value proposition.”

In a time when new competition is popping up everywhere, keeping your head on swivel at all times while maintaining balance is critical. ■



5 WAYS TO MEASURE YOUR EFFECTIVENESS ON KEEPING UP WITH THE JONESES

01. **Market share**

Monitor market changes over time. If your market share is growing or holding steady, your efforts are paying off.

02. **Sales & revenue**

Track changes in these areas over time. If they are increasing, it may mean your efforts are working.

03. **Customer satisfaction**

Measure customer satisfaction through surveys or other feedback mechanisms.

04. **Brand awareness & perception**

If more people are aware of your brand and perceive it positively, keep up the good work.

05. **Website traffic & engagement**

Make sure your website is attracting visitors and that they are engaging with your content more frequently.

SOURCE: FULLMOON DIGITAL

TACTICS



HOW TO B2B

MULTIPLE SOURCES PROVIDE ADVICE

According to a recent survey by DemandGen Report, 77% of B2B buyers said that they did not talk to a salesperson until they had done their own research. This highlights the importance of having a strong digital presence, including a well-designed website and informative content.

A study by LinkedIn found that 71% of B2B buyers are more likely to engage with a salesperson if they provide personalized communication. This

indicates the importance of using data-driven insights to tailor your messaging and communication strategies to the specific needs and interests of your target audience.

According to HubSpot, businesses that prioritize blogging are 13 times more likely to see a positive ROI. This underscores the importance of creating high-quality, informative blog content to establish thought leadership and drive traffic to your website.

A report by Gartner found that by 2025, 80% of B2B sales interactions will

occur in digital channels. This highlights the growing importance of digital marketing and the need to invest in technologies and strategies that enable effective engagement across digital channels.

A study by MarketingProfs found that 87% of B2B marketers use email marketing to generate leads. However, to maximize the effectiveness of email marketing, it's important to personalize emails, segment your audience, and use compelling subject lines to increase open rates.

WHEN THE GOING GETS TOUGH, GREAT BRANDS INVEST

According to the The Marketing Practice's annual B2B Marketing Effectiveness Barometer, there is a significant difference between leading B2B marketers and all the rest. Marketing Leaders, as defined by the survey of 800 people, adapt to the recent economic forecasts of stagflation and recession with investment.

37% **23%**
 › LEADERS › THE REST

"We have increased our marketing budgets because now is a good time to win market share"

B2B marketing leaders sense opportunity: They ranked 14% higher than the rest of B2B marketers when it comes to increasing marketing budgets. This underlines the importance of continuing to reach out to your customers, even though the temptation is there to cut back in the face of economic pressures.

Furthermore, leaders are also 18% more likely to 'accelerate the time to get products/services to market where they can help our customers respond to the recession.'

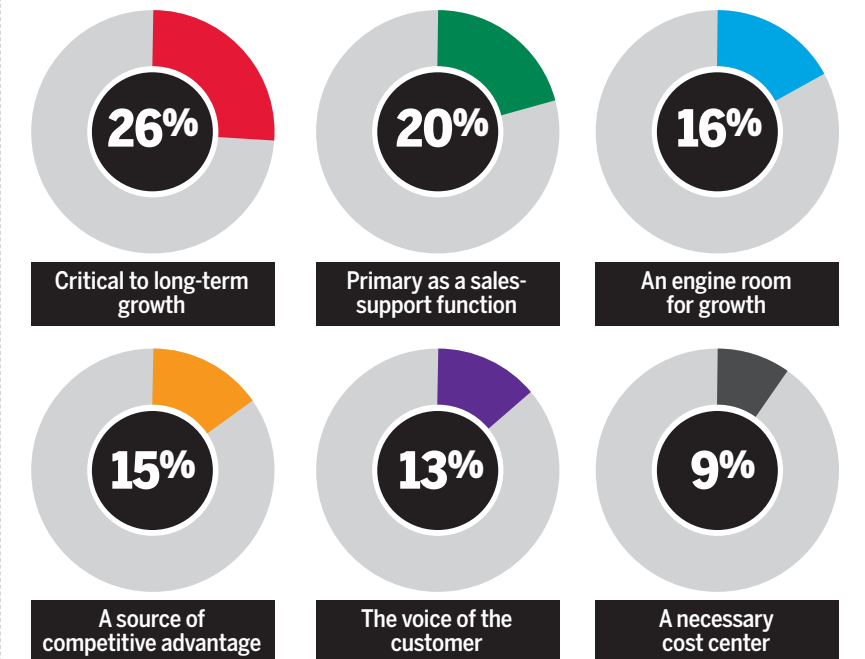


THE ROLE

MARKETERS WERE ASKED WHAT THEIR PERCEIVED ROLE IS WITHIN THEIR ORGANIZATION

According to the B2B Marketing Effectiveness Barometer, the days of B2B marketing being the PowerPoint department are long gone.

The survey suggests times have changed for the better with the majority identifying marketing as providing a strategic function. Whereas only a small minority view marketing as a necessary cost center and 20% say it is perceived as primarily sales-support.



Source: marketingpractice.com

QA

What inspired you to found the Marketing AI Institute and launch the MAICON conference?

Curiosity about what AI was and the impact it could have on marketing and business is what led to the creation of the Marketing AI Institute, started in 2016. I had begun researching AI in 2011, and had become convinced that it was going to change everything. But no one in our industry seemed to be talking about it.

By 2019, we had grown to 7,000 subscribers and decided to launch the Marketing AI Conference (MAICON) as a way to bring the growing community together and start collaborating on use cases, technologies and best practices.

How do you think the relationship between human marketers and AI will evolve in the coming years, and what new skills will marketers need to acquire to thrive in this new landscape?

The relationship between humans and machines is evolving way faster at this point than businesses or society are prepared for.

Generative AI technologies, such as ChatGPT, have really accelerated awareness and adoption among marketers and business leaders, but there is still very little true understanding of what these technologies are and what they're capable of doing.

Moving forward, prompting—or giving the AI instructions of what to do—is a skill that seems universally valuable across marketing functions. And given how prevalent AI will be in all aspects of knowledge work, an ability to continually learn and adapt will be essential to success as well.

AUTHOR AND AI THOUGHT LEADER
DISCUSSES THE MOST IMPORTANT
THING HAPPENING TO MARKETING.

PAUL ROETZER

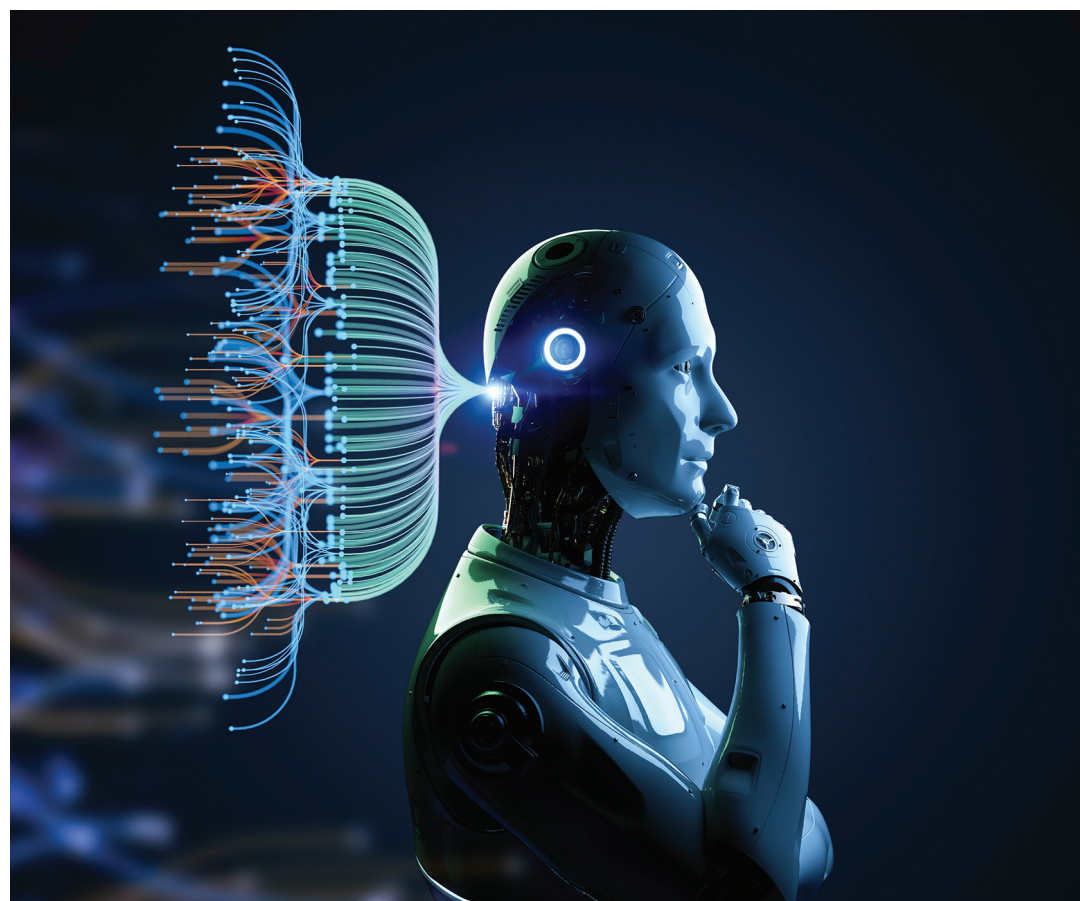
Paul Roetzer is founder and CEO of Marketing AI Institute, co-author of "Marketing Artificial Intelligence" (Matt Holt Books, 2022), and creator of the Marketing AI Conference (MAICON). As a speaker, Roetzer is focused on making AI approachable and actionable for marketers and business leaders. A graduate of Ohio University's E.W. Scripps School of Journalism, Roetzer has consulted for hundreds of organizations, from startups to Fortune 500 companies.



What can individuals and organizations do to overcome their fear of AI and embrace its potential?

Everything starts with education and understanding. Organizations have to commit to building a professional development curriculum and experiences that teach AI fundamentals,

and give workers continuous hands-on experience. The technology will keep evolving, so ongoing experimentation will be an important part of every organization's AI roadmap for training and education.



As AI continues to evolve and become more sophisticated, what do you see as the biggest ethical considerations for its use in marketing?

A starting point for a lot of organizations is to develop an understanding of how these technologies work and what data the AI models were trained on. We also recommend that organizations develop generative AI policies that dictate how employees use generative AI tools for language, images, video, audio, and code. This eliminates uncertainty among employees and provides clarity to your audiences.

At the MAICON conference, what are some of the most compelling takeaways from people you are seeing with regard to AI?

MAICON is designed to give attendees the knowledge, tools, resources and confidence they need to leverage AI for themselves and lead to the adoption of responsible AI practices within their organizations, if they choose. We feature sessions on big-picture issues such as ethics and workforce impact, and provide tons of content tied to actionable use cases and technologies. The conference is developed to help marketers explore and engage with AI.

Looking ahead to the future of marketing, what are your predictions for how AI will continue to shape and transform this field?

I'm very focused in the near term on how quickly AI technology is advancing and what that means to knowledge workers in general, and marketers in particular. I believe that at least 80 percent of what marketers do every day will be AI assisted within two to three years. Most organizations and professionals aren't prepared for that reality. AI will be unevenly distributed and create dramatic differences in people's experiences.

Artificial Intelligence Statistics

Sources: IBM

77% of businesses are using or exploring AI.

Of those:

35% of companies are using AI

42% of companies are exploring AI for its implementation in the future.

How do organizations and leaders perceive AI?

Sources: MemSQL, Accenture, narrativesscience.com, cmo.com, pwc.com

AI and machine learning are game-changers **71%**

AI is useful singling out opportunities using data **61%**

AI and machine learning are their most significant initiative **61%**

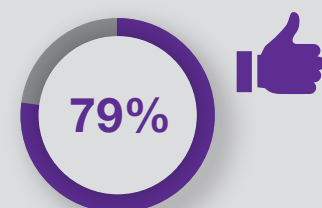
AI tools have boosted productivity **54%**

Have defined AI strategy **47%**

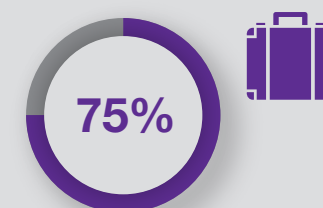
Projected increase in labor productivity from AI use **40%**

What are the top benefits of AI adoption?

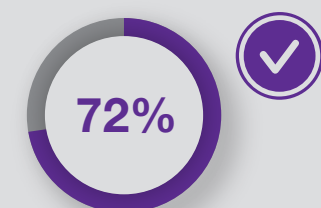
Sources: The Economist, Forbes, pwc.com, hbr.org



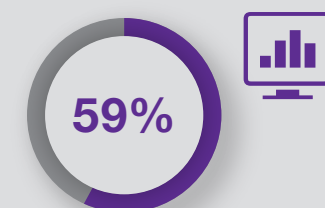
makes work easier and more efficient



allows them to move to new ventures



foolproofs their business for the future



improves use of big data in their organizations

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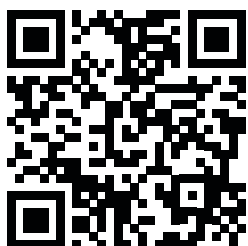
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