Continued Education.

This is designed to be a temporary, walkthrough guide to completing your Marketing project, while we prepare something fuller and richer. Everyone on the team should read this, so it's written to all team members. Read through it once, and then follow it along throughout your project.

Each project is unique, so the information in this guide will apply different to your company than anyone else's. If you have any questions at all, contact [Justin](). He, the Consulting Committee, and the Consulting Program Director, Maya, are here to help.

Branding

How to use this:

- We're going to go through what *good* branding looks like.
- You should read everything below and go through the elements we talk about one by one, and note everything about your company's branding that seems, well, bad.

Relevant terminology

- *CTR (Click Through Rate)* – what % of people who see your ad actually click on it.
- *CPC (Cost per Click)* – how much $ you pay every time someone clicks on your ad.
- *Impression* – when your ad is published, i.e. somebody sees it (on the internet).
- *Organic Traffic* – people that visit your website naturally, i.e. not from an ad. Normal Google search results.
- *Conversion* – when someone sees your ad, and ends up purchasing / downloading your product.
- *ROI (Return on Investment)* – how much you make on what you invest in. For example, if you payed $20 for an add and people bought $100 because of it, your ROI is 5x.
- *KPI (Key Performance Indicator)* – metrics that people use to quantify how well a company is doing. ROI is an example. Monthly active users (MAU) is another.
- *SEO (Search Engine Optimization)* – fooling around with your website to make it appear higher (and look better) on the list in search engines like Google.

Website / Product

- Colors:
  - Color choice in branding is important, because colors subconsciously impact our emotions.
  - Read this and think about if the company's color choices align with what they want users to be thinking / feeling.
- Value Proposition:
  - The website needs to have one, big line that jumps out at you and tells you why you need this product.
  - This article is a little long, but it explains what you should see.

- If you don't see it on the website, the team should put one together.
- <u>Grammar</u>:
  - This should go without saying, but it's a consistent problem for Israeli startups. It significantly turns off VCs and potential investors when they see it.
  - You don't need to proofread everything with a fine tooth comb, but point out errors if you see them.
- <u>Tone</u>:
  - The tone of all of the writing on the website should be consistent with the brand.
  - If you're a casual brand then the writing should be casual (see [this](#) example), and if you're not (like cyber security), be more professional.

Social

- <u>Goals</u>:
  - It's key to understand what the goal of the company's social media operations are, which we asked on the application.
  - Some might want to increase the user base (e.x. Snapchat wants to convince more people to join Snapchat), and some might want just to engage with existing users (e.x. Snapchat wants Snapchat users to be happy). Or both.
- <u>Strategy and campaigns</u>:
  - Most of the companies you'll work with won't have a strategy or campaigns, they'll just post whenever they feel like it, whatever's on their mind.
  - Make sure there's consistency on your company's social. See below for characteristics of a good campaign.
- <u>Platforms</u>:
  - More than 20% of Americans use social media more than once a day, but platforms (i.e. Facebook, Twitter) aren't the same, and have different user profiles.
  - Check out this [article](#) for some of the unique characteristics of each, and some other good stuff. Make sure your company is on the right platforms.
  - For example, if you're working with an enterprise type company (selling more technical software to other businesses), chances are that they should be on LinkedIn, doing social there.
- <u>Content creation</u>:
  - If someone on the team is more creative / artistic, ask them to take the lead on creating a social media strategy / campaign.
  - Here's a nice [article](#) that takes you through the steps to creating one.
  - Here's another [article](#) that should help with the branding.

Content

- If you're wondering what content is, check out this infographic.

- Video:
  - YouTube, Vimeo, Vine, you name it – brands are constantly making their own videos promoting themselves / their products and sharing them.
  - This often isn't relevant to startups, because making professional videos costs a lot.
  - If your company has a YouTube channel or makes other branded content, check out here and here for what it should look like.
- Blog:
  - A blog is a great way for startups to create content on a budget.
  - Here's a great article for how to set up a blog from scratch.
  - You shouldn't be writing the blog posts themselves if the team doesn't want to, but consider making a schedule / program, just like above for social media.
  - For example: explaining the big problem (Week 1), how your company's product fixes it (Week 2), what users have to say (Week 3), etc.
- Email:
  - Email marketing is second only to search engine marketing in ROI. It's super, super important to make sure startups are making the most of their email lists.
  - In the application, we asked your company to give you access to all of their emails that they've sent as a campaign to users.
    - If it didn't work, reach out to them about some possible way of getting all of the past emails they've sent, so you can look them over.
  - Here's an article that outlines key elements of a good campaign. Here are some great examples.

The Finished Product

- What you end up with should either be a Powerpoint Presentation or Word Document, but we recommend Powerpoint for this kind of project.
- Taking from the notes you've gathered, your presentation should answer the following questions (strongly branded = conforms with the walkthrough above):
  - Overall, how strong / effective is the brand of your company?
  - Which elements of your company's website / product are strongly branded, and which are not?
  - Which elements of your company's Social are strongly branded, and which are not?

- - Which elements of your company's Content are strongly branded, and which are not?
  - For each section, make sure to explain *why* the team feels that something is done well or not.
  - For example, you might say "We suggest changing the logo color from red to light blue. The emotions of calmness and serenity that blue conveys fit better with the company mission than the aggressiveness of red."
    - It's also important to quote to back yourself up – in the above example, consider quoting the article that explained the use of colors in branding.

  - Use the TAMID template slides on the education website, and follow the presentation guidelines there too.
  - Remember, half of your company's satisfaction will depend on how well you present what you've done.

Segmentation and Targeting

- Big thanks to Professor [Adam Alter](#) for use of his class [slides](#).

Relevant terminology

- *Market segment* – a specific subset of your target market.
  - For example, if you are targeting single males with a social media app, two segments might be males who use their phones a lot, and males who don't use their phones a lot.
- *Segmentation* – the process of splitting your target market into market segments.
- *Targeting* – specifically try to sell your product to one market segment. This might involve changing the product to fit this group.
- *Positioning* – making moves and presenting your company so as to be specifically attractive to the market segment you're targeting.
  - For example, if you're targeting young females who consider themselves environmentalists, you might advertise how your product is environmentally friendly (Brita did this).

How to segment a market

- The idea is to break the market into different segments that need to be addressed differently, and potentially spend efforts on targeting one of them.
- A clear example of Market Segmentation is from [Amitava Chattopadhyay](#)'s case study on Brita.
  - Access the case study [here](#), and use it as a guide for the kinds of diagrams and analysis that make an awesome project.

Groups

- Each segment needs to be made of people with similar needs, and who should respond to marketing actions (like an advertisement) similarly.
  - For example, when Brita targets one segment with a TV ad, the whole segment should have the same reaction (i.e. they like the ad, or they don't).

- Here are the **3 key characteristics of a good group**:
  - Large enough:
    - Not 50 people. This needs to be a subset of people that it's financially worth targeting.
  - Identifiable:
    - Needs to be a group of people that you can actually reach, and that you can define clearly.
    - "Spiritual people" is not a group. "People who practice Yoga twice a week" is a group.
  - Distinctive:
    - The groups need to have a clear differentiating principle that separates them.
    - For example, wealthy and really wealthy aren't groups. Income below $100K and income above $100K are groups.

How to Segment

- You can segment based on **3 major methodologies**: personal characteristics, benefits sought, and product related behavior.

- A) Personal characteristics:
  - Making a group based on something in the nature of the consumer. There are essentially 3 ways of doing this:
  - 1) Demographic:
    - You can segment by gender, race / ethnicity, age, or income.

- - ■ For example, Diet Coke, in its early days, was almost exclusively marketed to women.
    - ○ 2) Psychographics / Lifestyle:
      - ■ You can segment by unique behaviors or qualities.
      - ■ For example, JP Morgan believes there are 5 types of millionaires, and they segment them based on what they do with their money.
      - ■ Some want to enjoy life, some want to show off to others, some are very stingy, etc.
    - ○ 3) Geographic:
      - ■ You can segment people by where they live, like this.
      - ■ For example, you might target BBQ sauce to states in the South.

- ● B) Benefits Sought:
  - ○ Making a group based on what people are looking for in a product.
  - ○ For example, when people buy jeans, they aren't all looking for the same thing: some care about fit, some about price, and some about quality.

- ● C) Product-Related Behavior:
  - ○ Making a group based on how users, well, use your product.
  - ○ For example, some Facebook users check it 5+ times a day, while other only check it once a week.

Targeting

- ● Once you've segmented the market into groups (see above), you need to pick which one(s) it makes the most sense for your company to target.
- ● You can use **3 methodologies to pick the right target segment**: profitability, company fit, and competitive intensity.

- ● 1) Profitability:
  - ○ You can choose a target segment by how profitable it will be. Some examples include:
    - ■ Size (bigger = more profit)
    - ■ Growth potential (higher = better)
  - ○ For example, if your market has two segments, people who shop based on convenience and people who shop for bargains, it may be more profitable to target the convenience shoppers. They'll pay more.

- ● 2) Company Fit:
  - ○ You can choose a target segment by how well the segment fits with key elements of the company.

- ○ For example, if the company has a young, hip vibe, it might not make sense to target senior citizens.
- ○ Another example is by what the company is good at: if your company's product is really good (like some software) but the user interface is really ugly, it might make sense to target business customers first, because they care more about functionality than aesthetics.

- 3) Competitive Intensity:
  - ○ You can choose a target segment by how easy or efficient it will be to get a foothold.
  - ○ Two types of targeting in this area are based on segment needs, and strengths of competitors:
    - ■ Segment needs:
      - Are there needs of this segment that aren't being addressed by existing companies?
      - For example, one could argue that Facebook targeted Millennials because they needed a forum to connect with each other, and that need wasn't being met by any other social media platforms.
    - ■ Strengths of competitors:
      - Are there segments that existing companies don't focus on?
      - For example, Facebook services Millennials well, so competing might be a bad idea.
      - But, there doesn't seem to be a social service for older people (and maybe for good reason).
      - That was demographic segmentation, by the way.

The Finished Product

- What you end up with should either be a Powerpoint Presentation or Word Document, but we recommend Powerpoint for this kind of project.
- You should make sure that you've answered the following questions:
  - ○ What are the different segments of the market that your company targeting?
  - ○ Which segment does it make the most sense for your company to target?
- In your presentation, make sure to explain which methods you've used to segment and target from the tutorial above.

- Use the TAMID template slides on the education website, and follow the presentation guidelines there too.
- Remember, half of your company's satisfaction will depend on how well you present what you've done.

Partohrtips

How to use this:

- There are essentially two types of partnerships that a startup can enter into: partnerships with bigger, established companies (like Samsung), or partnerships with other startups.
- The first type is much more difficult to execute, and something less relevant to TAMID students.
- This will walk you through how to find the right startups to partner with, what to offer them, and how to reach out and seal the deal.
- Big thanks to [Jeff Pawlak](#) for most of the material in this section.

Relevant terminology

- *Affiliate Marketing* – getting some sort of value by selling or promoting the products of other brands. In our case, it would mean getting another startup to promote your product for some sort of reward.
  - For example, two startups that relate to eco-friendly foods might work together to promote each other's products.
- *Product-Market Fit* – if the company you're working with has a product that appeals to a very specific group of people (see Segmentation above), and they basically can't live without it. Check out Marc Andreessen's [legendary stuff](#) about it.

Background to affiliate marketing

- For a startup, achieving Product-Market Fit (PMF) is really all that matters. Read [this post](#) mentioned above. You won't regret it.
- Assuming your company has Product-Market Fit / thinks it has Product-Market Fit (as most startups inevitably won't actually have it), the next key challenge is to *address* that market.
- One of the many ways to target the market you've chosen is through affiliate marketing (see definition above).

- PMF is super important, because it dictates which types of startups you'll be looking for your company to partner with.

How to find the right partner

- In short, you want to find startups that have **two key characteristics**:

- *1) Similar Product-Market Fit*
  - The whole idea of partnering is to find someone with a similar target audience, so you can find a new way to get that audience to buy or use your product.
  - You can find startups with a similar target audience in a couple of ways:
    - Search intelligently: if your company targets religious Christians over the age of 40 for example, you can search for that term, or something similar in Google. If that doesn't work, try being a little less specific.
    - Blogs: if you find a blog that targets your audience, read through the posts and see if they reference any relevant companies.
    - Articles: VentureBeat, TechCrunch, The Verge, Wired, Ars Technica, NoCamels, Geektime, and Mashable write articles about startups trying to solve specific problems all the time. Search and you'll find them. You can also try searching on their websites.
    - The CB Insights Blog has industry maps of different startups, which can be helpful. Here's an example for the construction industry.

- *2) Integration Possibilities*
  - Even if you've found a couple of startups that have the same target market as your company, that still doesn't mean that they're the right partner; you need to be able to see a realistic path to partnering with this startup in some way to promote your product or service.
  - An example of a great partnership: Farmivore partners with GrubMarket to promote each other's products and services. They've got similar audiences, overlapping products (sort of), and similar brand images.
  - In addition to a similar target audience, here are the things you should look for:
    - *a) Media:*
      - How does the startup reach and interact with its customers / users? Do they have a good (for definition: see Branding above) Facebook page and Twitter feed? Do they have a blog?
      - In other words, you need to be confident that if you partner, they'll be able to actually get your message across effectively.
    - *b) Brand Image:*

- Does the startup's brand match yours in key areas like personality (for definition: see Branding above)?
- For example, if your company is branded as young and friendly, and theirs is branded as professional and stoic, it might be a bad match.
    - *c) Product Diversity:*
        - Your company's product should relate to the product of the startup you're looking at in an interesting way, and they shouldn't be too similar.
        - For example, a startup that makes Ad targeting software could partner with a startup that makes E-commerce software. The audiences are similar, but the products are different.

How to Partner

- The last step is figuring out exactly *how* to partner with the affiliates that you find – how can they promote your products, and what can you offer in return to them?
    - It's a competitive world, and CEOs of the startups you'll be reaching out to see hundreds of emails a day – you'll need to offer them something that's exciting and beneficial.
- Here are some tips to figure out how you can partner:
    - *1) Product Promotion.*
        - You and the startup you're targeting can promote each other's products in your social media, email marketing, blog, etc.
    - *2) Product Integration.*
        - Your company might make a product that can be integrated with the startup you're targeting.
        - For example, if your company makes software for beacons like [Zik-it](), you might get a startup manufacturer like [Estimote]() to promote your software.
    - *3) Sales.*
        - If you have other startups that are customers of your company, you can feature them on your company's website, like [Compaas]() does.

The Finished Product

- What you end up with should either be a Powerpoint Presentation or Word Document, but we recommend Powerpoint for this kind of project.
- You should make sure that you've answered the following questions:
    - Who are some other startups who have a similar PMF?
    - Which of these would be good potential partners for affiliate marketing?

- - For each startup you recommend, how well do they fit along the dimensions of media, brand image, and product diversity?
    - What are the next steps for reaching out to them – do you know anyone connected to them?

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- Remember, half of your company's satisfaction will depend on how well you present what you've done.