

Why Online Marketing Fails



So you and your team have followed the so-called best marketing practice, but it is not delivering the returns you expect. let's summarise (in our humble opinion) why not:

- You failed to define your audience.
- You use sales funnels.
- You neglect existing customers.
- You focus on online marketing.

So let's look at each of those issues in more detail.

One important point to note. What follows applies to small to medium-sized businesses. Our conclusions rarely apply to larger businesses, especially those with a strong brand. Why will become clear.

Audience and Plan

You should have goals and objectives for your business. You should know who your target customer groups are and why. Marketing is simply a way of delivering on your objectives.

What are your priorities and what will you sell to which group of customers? Once you have built a plan, focus and remain consistent. Fail to do so and you will waste time and money. That is guaranteed.

The Problem With Sales Funnels

The standard advice suggests marketers move a target audience through a funnel using specific marketing tactics at each stage. The funnel shape illustrates prospects will drop out at each step.

So you start with many prospects at the **A**wareness stage to deliver a few customers at the **A**ction stage.

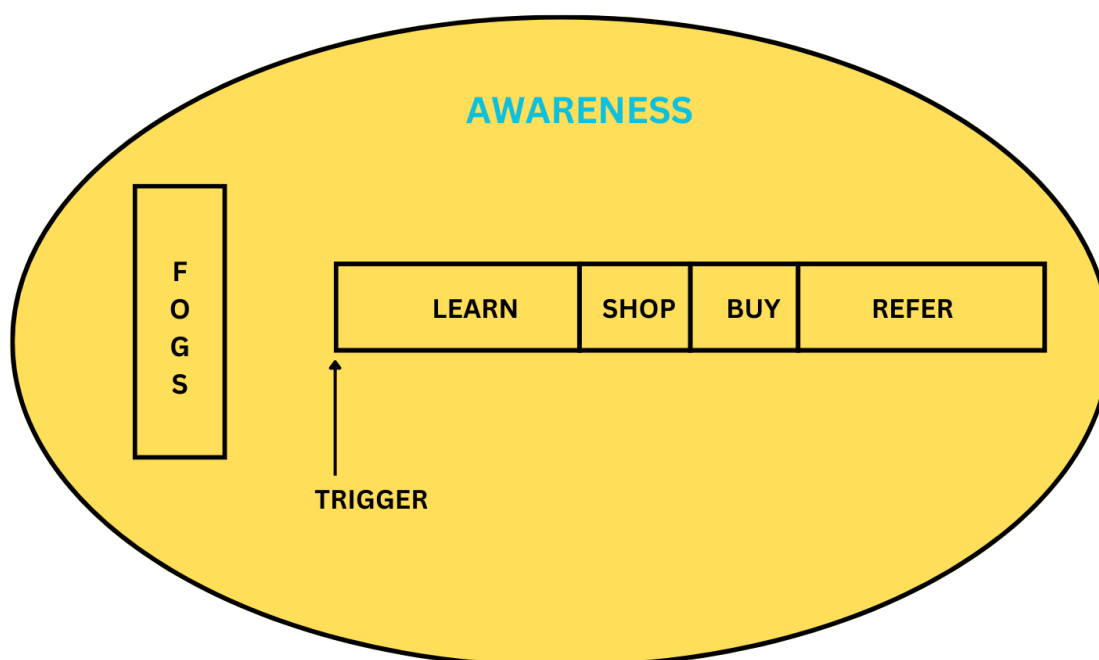
The AIDA funnel dates back to the early 20th century. It suggests a prospect must first be **A**ware of your brand. They need to be aware, in general terms, of your name and what you do.

The theory continues that marketing should then attempt to generate **I**nterest in your solution by highlighting its benefits. Further marketing effort persuades a proportion of prospects that they want (**D**esire) the solution.

The final challenge is to push the prospect over the line by persuading them they need to take **A**ction (to buy).

This simplistic model has developed over the years. Steps are often added to collect email addresses so a business can continue to communicate with prospects who are aware (best case interested) of the offer. More on Email marketing later.

To illustrate the problems with the standard approach, let's look at a different model. Let's use it to work through an example:



At first sight, this model again looks linear and in some cases it can be. Let's assume you run a financial adviser business.

Bill is in his mid-50s. At a neighbour's barbecue, he gets talking to Bob. The conversation turns to retirement and Bob describes his plans. Bill realises he needs to start thinking about his retirement. This is the trigger. As a financial adviser, you have little (if any) control over when (or if) this trigger occurs.

So Bill is off on his journey. He spends time on the internet and with his pension statements. He may talk to friends or family. He is in learner mode.

Eventually, he knows what he would like to achieve and starts looking at the available options. He has become a shopper.

He then moves into buying mode. He is ready to compare and contrast suppliers and make his purchase. With the purchase complete (if everything goes well), he becomes a referrer. Bill has followed the path defined by the AIDA model.

The reality is few prospects follow Bill's path. For example, Ben works in I.T for a pensions company. He already has a good understanding (because he is in the business) of what he wants to do. Something has already triggered his desire to move forward. He jumps right in at the buyer stage.

Brenda is different to Bill, she is not inclined to spend weeks researching all her options. She is happy to go with the recommendations or advice of friends or family. She jumps in at the shopper stage.

The standard AIDA model misses Ben, Brenda and the FOGS (see below). It also neglects existing customers.

Even if all prospects were like Bill, the funnel leaks. It assumes the prospect will remain engaged and move dutifully from one step to the next. That is a huge assumption.

Content To Support The Funnel

The standard funnel model assumes the prospect will fulfil their information needs (inbound marketing rather than outbound). Therefore, the aim is to deliver the right content to the right place at the right time.

Returning to Bill, the standard model assumes that once he sets off on his journey, he will find your business wherever he might look for information (online, social or print). It assumes, if he comes across (and likes) your content, he will stick with you and read the next piece and the next.

Can you really build loyalty after a prospect has read one or two pieces of content? Can you rely on him/her coming back for more?

All you can achieve is raise Bill's awareness that you are a potential supplier and build your brand. We mentioned above an email capture stage added to the long-established AIDA model. Why was that step added? Because you cannot rely on a prospect to return to your content.

You will need content to try and convert Ben. Here, you have improved your chances of delivering the information he needs. If you are prepared to pay! That content should be short, to the point and focused on conversion.

The only content you need to support Brenda is content to reinforce the impression she is making the right decision. That might be reviews, testimonials or case studies. It might be the look and feel of your website.

Remember, the best you can hope for is Brenda to engage for a final check. She is not particularly interested in your content. You need to consider content to build awareness, brand and the FOGS - more on that below.

How much are you prepared to spend on content for Bill? The only one who follows the standard funnel model. Given his level of engagement (or lack of it) and his distance from the sale.

Existing Customers

We admit it, our starting point was all wrong. In our defence, we started there because we know that's where (wrongly) most firms focus their efforts.

Before even considering awareness (demand generation) or lead generation (prospects) secure existing customers. Make them feel valued and they might return and deliver more work. If not, they are your best source of referrals and reviews.

Your existing customers are your best salesmen. Remember Brenda (recommendation), what if a friend, relative or colleague is a present or past client? The relationship does not need to be that close. It could be a friend of a friend.

You know who your existing customers are. They should be happy for you to communicate with them. You should know what information they need and if you don't, you can ask and receive reasonable feedback.

To make them feel valued, you can use the traditional approach of hospitality and events. As a minimum, you need to keep them engaged with some form of content. It is best to focus your content efforts on existing customers. You know what information

they need and that content has a significantly higher chance of engagement than prospect-focused content.

The biggest problem with content is, how to deliver it to your desired audience (see below). That should not be an issue with existing customers.

Dealing With FOGS

If we stay with our pensions example, there is a group who know they should start thinking about their pension, but the issue keeps getting pushed down the priority list. These are the FOGS - Fear Of Getting Started.

Bill was a FOGS until he had that conversation with Bob. FOGS need a trigger to start on their journey as a prospect.

If we define a prospect as someone post-trigger, there are many more FOGS than prospects. Therefore, part of a marketer's job is to create and promote triggers.

Awareness and Brand

In simple terms, your brand is your name, what you do, what you stand for - it's a promise. Ideally, it is an emotional connection.

Think of awareness as surrounding FOGS (including those who will never be clients) and prospects. It is always there, always on. How much do your potential future customers take in from the constant awareness noise? That is difficult to quantify.

The impact of awareness is primarily pre-trigger, although it can have affect the shopper/buyer stage. The standard inbound marketing funnel models tend to assume some trigger has already occurred. It is not about awareness (A - in AIDA), it is about research. The prospect is already on their path. They are in the learner phase.

Returning to Bill, Ben and Brenda. Before talking to Bob, Bill was already aware of a few financial adviser firms in his area. One has an office in the high street Bill drives past regularly. Another sends him invites to pension seminars in the post each quarter.

Bill is exposed to many promotional channels. Once triggered, he could drag a brand interaction, some connection with a brand, from the depths of his memory and use that as a starting point for his search. If he does happen across something from local firms, it will often have a higher standing than the rest.

Like Bill, when Ben is trying to find a supplier, he may already be aware of a firm (a brand). If you are using your brand in your Ads (often a good idea), this could lead him to click on your Ad ahead of the rest.

Brenda might not bother looking for information (online or offline) at all. If she does, it will be to give the website (and reviews) of a recommended supplier a quick check. A referral for a business she has already heard of will have the best chance of progressing.

Remember that people refer because they know (and have a positive impression of) a brand. They will refer even if they have no direct experience with the business or service.

Without appropriate targeting and planning, it is possible to spend large amounts on awareness (brand) campaigns for little return. Although If you are only interested in prospects within a defined local area, the process is much simpler (and cheaper).

Given that most FOGS will never be a customer (whatever you do) and the above discussion of different prospect types, be careful about what (and how) you spend on awareness campaigns.

Email and Nurture

If you can generate useful information that prospects will download in return for their email address, it's possible to stay in touch. Over time you can build trust and hopefully convert. That's the theory, but in practice you need to a large list (high hundreds minimum).

Think through where your prospect is in the buying cycle and how to progress them from one stage to the next. You need a process. You cannot spam, hence, whatever you deliver via email must be useful and relevant.

Your Marketing Spend

As discussed above, we suggest some of your spend should be on retaining existing customers. Then, decide how many new prospects you need to convert to customers.

You will need some new customers, just to stand still. Customers leave (whatever you do), move, die, go bust, are taken over and must be replaced. Then you might decide you need more to grow.

We suggest the place to start is referral programmes (Brenda), followed by long-established offline marketing techniques (see below). Only consider online when referral and offline are in place. Why? Because online has become less and less effective over time. Let's discuss (in our humble opinion) why that might be.

Driving Traffic

What is the objective of online marketing? Ultimately it is to drive visits (traffic) to a website to either learn more or convert (get in touch or buy).

If we take the traffic-driving elements from Google Analytics, there is organic, direct, social, referral and paid.

Organic is driven by SEO (see below), paid is traffic from Google paid channels, and social the traffic from Twitter, Facebook etc. Referral is traffic from other sites. Direct is more complex and we will ignore it for simplicity.

Where do you focus your efforts? It depends on the audience, where they jump into the process and the trigger. It also depends on how much you are prepared to pay. Remember producing content also has a cost.

Organic (Search Engine Optimisation)

So, the purpose of SEO is to attract prospects. They might be researchers like Bill, or in the market like Ben.

FOGS, by definition, are not searching online, neither are the Brenda's of this World. FOGS need to be triggered and those referred may search for a firm by name, but that is all.

Returning to the standard funnel model, it assumes you can get your content in front of prospects when they use a search engine. That is one huge assumption.

Bill will probably start his search online. He will use phrases that start with 'How do I', 'What is.' He will scroll past the Ads and Google My Business panel and dive into the organic results.

We will be controversial here and suggest that if you are a small to medium-sized business starting with an SEO exercise to drive significant organic traffic to your website on a national scale, you will find it extremely difficult.

Why? Because as a business new to SEO, you have no authority (as perceived by the search engines). If you hope to rank for competitive terms or phrases you may never build sufficient authority to achieve your goal.

If you run a small to medium-sized firm and/or you were late to the SEO party, researchers are unlikely to come across your content when they search on Google. It might show on Bing or Brave, but as Google has the greatest share of eyeballs, that will not help. You can read more at <https://B2Bmarketingmentor.co.uk/navigating-the-changing-landscape-of-online-search/>

Online Ads

As discussed above, unless you have deep pockets, the purpose of Ads is to attract those in the market. They are past the research stage, they want to do something.

Ben's searches will be action orientated, such as 'financial adviser near me' or 'access my pension.' He may be looking for information that guides him to take the next step, or he may be ready to talk to an adviser. Those in buying mode are more likely to click on the Ads, but many will still dive into the organic results

Google Adwords, display Ads (and the Bing equivalent) and social media Ads are the most common, but there are others (including Reddit and Quora). There are also local Ads (Google My Business), as discussed below.

The objective should be to choose the Ad network with the most relevant audience. Then select the appropriate Ad type.

The (Keyword, Ad, landing page) aim should be to capture those coming in at the shopper/buyer level. Allocate Ad spending appropriately. It is important to know a customer's lifetime value and to set budgets accordingly.

If you are new to Ads, you will need a learning budget. You must find, what words, Ad copy and landing page text work best. You need to accept the conversion rate (leads) you receive during the learner phase will be low to non-existent.

Costs per click (on a Ad) have risen steadily. The platforms have reduced the flexibility offered to advertisers (let our AI help with your Ads - yeah right). Decide what you can afford, run a trial and make a decision.

Referral Traffic

A long-running debate is content on owned sites vs content on others sites. Let's ignore guest blogging as a link-building tactic for now and only consider delivering content to those in learner mode.

The standard advice is to concentrate on placing any content you produce on your site. The theory is this will help your SEO efforts and increase organic traffic. It also builds the brand. We agree, assuming your website has the authority (popularity) to be found.

However, If we assume the chances of our SEO efforts succeeding are low, what is the point of loading your site with more and more content? Instead, you can piggyback on another website's strong position in the search results pages.

Yes, it dilutes the brand and to gain publication on a website your prospect's value is tough. Referral traffic might be low, but we suggest the effort spent here will deliver more content to more prospects than publishing on your site.

Remember, we are discussing small to medium-sized businesses without an existing strong brand and profile in search. Often, the marketing process for those with an existing strong brand/profile is the opposite of what we discuss here.

Social Media

Of course, prospects use more than search engines to search online. They will often also be active on one or more social channels. Building a presence on social media channels has branding potential (discussed above), but let's focus on content distribution for now.

Again, we assume you are a medium-sized business with low to medium brand recognition and follower counts in the hundreds to low thousands. If you are hoping for significant traffic to your website from content posting on organic social media, you will (we suggest) be disappointed.

Why? Because organic (unpaid) reach on all the major social channels is low. Taking Facebook as an example, it is estimated an organic post (unpaid) will reach less than 3% of your followers.

If you have 3,000 followers, that's 90 individuals. You then have to estimate how many of those will read the content. Of course, there are many things you can try to increase reach, shares and engagement. The point is increasing engagement by a few per cent will make little difference.

Social Media Ads

There are Ads you can run on most social networks. The standard approach is to first build an audience and then show Ads to that audience.

With a solid, well-defined audience in place, social Ads can work, but it takes time (and money to build that audience. However, it is possible to piggyback on the audience some third party has built over time. But take care to ensure the audience is valid and carefully control spending.

Geography

If you only work in limited areas, it simplifies the process significantly. Localised search terms make it easier to get found online.

The Google My Business pack gives you an advantage in search. Social activity can have more impact. Ad costs can be cheaper.

Choices

You have to decide if putting the resources into lots of learner content is valid. Remember, significant effort (SEO) will be required to ensure it is found. Consider if that effort is worth it?

If it is worth paying to deliver specific content to an active (has purchasing intent) prospect. What is your client's lifetime value and what can you afford?

What will trigger FOGS to take the next step? Remember, even if they take that first step with you, they are a long way from a sale.

What builds your brand? Decide if content is the best medium to trigger the next step. As discussed above, building a brand has advantages, but you need to decide what you can afford as audiences are often pre-trigger and wastage is high.

How you allocate your efforts between new and existing customers. It is existing customers that convert Brenda and those like her. Reviews, testimonials and other customer support generated information support the entire marketing process.

Offline Marketing

There are many offline promotional techniques, including print advertising and PR, direct mail and events/exhibitions. Most need some form of content. Many focus on awareness, with some designed to generate leads.

Reaching a mass audience using offline marketing techniques can be expensive. Lower cost was one of the main drivers of online marketing when the internet became a thing. That said, for smaller, clearly defined audiences, offline marketing still works well.

Slowly, the wheel is turning full circle. A move from (perceived) expensive offline to (perceived) cheaper online and now back to cheaper and more effective offline marketing.

So What's Next

We suggest you go back and re-evaluate your objectives and your target audience. They may be correct, but it is worth checking, or all that follows is likely to fail.

Next, as a thought experiment, take some time to think through how you would market your business if the internet did not exist.

Finally, forget funnels and try to rebuild your online and offline marketing plan step-by-step. Keep what has worked well in the past and build around it.

Need help? We will work with you to build a plan and then (if required) help you deliver on that plan. To discuss how we may be able to help, call 07716 871892, Email phil@harrhill.co.uk

About The Author

Phil Smith is a experienced marketer with over 15 years marketing and business development management experience. This includes five years as a marketing manager for a professional services firm.

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