



Connecting Chicago's
Multichannel Response Marketers

adMarks

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Social Pillar Event

Thursday evening, January 28, CADM's Social Pillar and OgilvyOne will host "Providing Great Customer Service through Social Media," focusing on the importance of "Social Care" through social media sites such as Facebook and Twitter. "Social Care" is not a new concept, yet providing multi-channel support that includes social media can present real challenges for B2B and B2C companies both large and small — as well as opportunities to positively impact sales and customer loyalty. Simply having a social media presence is no longer enough!

Come and learn about some best practices for providing great customer service through social media from a panel of experts.

"Social Care" Panel Presentation and Networking

When: Thursday, January 28, 2016
5:30 p.m. – 8:00 p.m.

Where: OgilvyOne
350 N. Orleans, Chicago

Fee: Members: \$25 Non-members: \$40

Registration: Visit www.cadm.org/events.

The registration fee is \$25 for CADM members, and \$40 for nonmembers, which includes light appetizers and beverages. Please register at www.cadm.org/events. Thanks to our sponsor, OgilvyOne. ●

CADM Celebrates Jubilee Year



CADM Corporate Sponsor



The Legalities of Marketing Activities



By Jerry Hannigan

The activities of marketers can pose some very large legal issues for themselves. If they are not careful, professionals can get into a huge amount of trouble for their various marketing activities. These activities can range from advertising, promotions, pricing, emails, social media, and distribution programs, to name just a few.

Almost any kind of marketing activity can be fraught with peril if the marketer is not careful in how he/she works with customers, distribution channels, and their own salespeople. The possible negative effects that their plans, strategies, and programs can have on their own company, their salespeople, and their customers can be deleterious if they do not exercise the utmost care. Marketers can lose customers and cause irreparable harm to their products, services, brands, their company's reputations, and ultimately their firm's profits. This harm can be in the form of the imposition of very large fines. A good example of this is the following. The CAN-SPAM Act provides safety features to protect people

from illicit commercial emails. With this law, the Federal Trade Commission protects businesses and individuals. Each violation of this Act, that is each email sent to prospects, can carry a penalty of up to \$16,000 per email sent. So, if 200 emails were sent and were in violation of this law, the total fine would be \$3,200,000. As you can see, marketers have to be very, very careful.

Purpose of the Federal Trade Commission

The purpose of the Federal Trade Commission (FTC) is to protect consumers and to maintain competition. The Federal Trade Commission establishes laws, guidelines, and penalties for unethical practices in marketing and all the pertinent areas of marketing, such as advertising, direct mail, online activities, promotions, internet, and pricing among others.

The functions of the Commission are the following:

1. Identify illegal practices
2. Stop and take action against illegal practices through law enforcement

2015

VOL. 21 • ISSUE NO. 10 • DECEMBER '15

adMarks is printed by
Vision Integrated Graphics
Tinley Park and Chicago, IL

CADM Mission Statement

CADM serves its members, Chicago's multi-channel response marketers. CADM provides a high-quality forum for the exchange of ideas; fosters member development through business, educational and social opportunities; and acts as an industry liaison.

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adMarks

(ISSN# 1083-611X)

(USPS # 13036)

is published monthly except combined issues
of may/june and september/october by
CADM

P.O. Box 578
Westmont, Illinois 60559-0578
312.849.CADM (2236)
www.cadm.org

Periodical postage paid in Oak Brook, Illinois

Postmaster: Send address changes to
adMarks c/o CADM
P.O. Box 578
Westmont, Illinois 60559-0578

Each CADM member receives a copy of
adMarks as a member benefit.

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Brad Schwab

The Holiday Halftime Report

I know as marketers this time of the year is exciting but also can be stressful. The end of the year often brings increased workloads due to large sales opportunities from the holiday season and strategic and budgetary planning for the New Year. I hope that all of you are able to find the time to enjoy the holiday season with family and friends and recharge the batteries for the New Year.

CADM has strategically taken the month of December off from hosting events and programs, but we will be back in January. So please take a look at the Event Calendar (*page 3*) to find out more about our events coming up in January and beyond.

It is essentially CADM's Halftime. Our fiscal year is August–July so I thought this would be a good time to deliver The Holiday Halftime Report.

We have made great strides towards our goal of re-igniting the passion in CADM. And it is all because of YOU, the members, that CADM is getting better each day on delivering our promise to create a community where Chicago's multi-channel response marketers can help one another develop more meaningful marketing work, business relationships and careers.

We have seen more member engagement in the form of committee involvement, content creation and event attendance than we have seen in the past years and it is paying off. Here are a few examples of our successes the first half of the year:

- Executing **The Pillars of Excellence** Educational/Networking Event Series
- Launched **After Hours In The 'Burbs** Social Event series
- Re-launched our community outreach program, **Direct From The Heart**
- Enhanced **adMarks** content and timeliness
- Increased engagement in our **Online Member Community**
- **Annual Membership Goal** almost attained first half of the year

I am happy with our progress and successes — but we can't let up. We have the following opportunity areas to continue to evolve and develop:

- Expand on past year success of the **Tempo Awards**
- Exceed our **Annual Membership Goal**
- Improve **sponsorship and advertising** packages and opportunities
- Improve **educational programming** strategy
- Launch **new membership model** to continue growth and success in the future

Thanks again for everyone's help making it a great first half. If you would like to help make the second half even more successful, please let us know. We are always looking for new team members for committees, content and more.

I hope you enjoy this issue of *adMarks* — make sure you see Member Briefs (*page 11*) as it highlights CADM's Vice President **Josh Blacksmith** who has been very helpful making this first half a success.

Have a great holiday season and we will see you in 2016!

Brad Schwab

January 2016

28 Providing Great Customer Service through Social Media
OgilvyOne

350 N. Orleans, Chicago

The Social Pillar will host "Providing Great Customer Service through Social Media" which will focus on the importance of "Social Care." Come and learn about best practices from a panel of experts.

The registration fee is \$25 for CADM members, and \$40 for nonmembers, and includes light appetizers and beverages.

Sponsored by OgilvyOne

See www.cadm.org/events for details and to register. Get it in your calendar now!

February

TBA Actionable Brand Webinar
With *Liquid Iron*

March

18 2016 Tempo Awards Submissions Due

25 Tempo Last Chance Deadline

TBA Mobile Marketing Comes to the 'Burbs

April

TBA Uline Basic Course begins

A Call For Volunteers and Input

As with all membership organizations, one of CADM's top objectives is member engagement. With a diverse membership throughout Chicagoland, CADM faces unique challenges in achieving this goal.

The 2015/2016 **Board of Directors** shared our theme and goal for the year, "*Re-Igniting the Passion.*" We are committed to provide our members, sponsors and partners with more value, as well as making sure we have adequate resources to advance our mission into the future.

But we need your help. Please consider volunteering, sponsoring or just providing input. Please contact someone on the Board and share your ideas or ask how you can help. It will be worth it! ●

The New Age of Direct is Here!

Imagine being able to directly reach prospects online, just like you offline with direct mail. Now you can with Digital Direct. Digital Direct targets unique internet users at their specific household without the use of cookies. Essentially, it's direct mail delivered digitally.

Here's how it works in 4 easy steps:

1 Match our IP address data to your home address data.

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3 Serve display ads to your target audience wherever, whenever they go online.

4 Run a coinciding direct mail campaign to double your audience reach and improve your response rate.

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"Why Your Digital Marketing Strategy Isn't Working."

The Legalities of Marketing Activities *(continued from page 1)*

3. Prevent consumer injury through education of consumers and businesses
4. Enhance consumer benefit through research, reports, and advocacy
5. Protect American consumers globally.

It is really absolutely necessary and worthwhile for marketers to be particularly cautious in how they create their various programs because the negative effects can be deleterious to them and to their organizations. "The FTC protects consumers by stopping unfair, deceptive or fraudulent practices in the marketplace....The FTC will challenge anti-competitive mergers and business practices that could harm consumers by resulting in higher prices, lower quality, fewer choices or reduced rates of innovation. We monitor business practices, review potential mergers, and challenge them when appropriate to ensure that the market works according to consumer preferences, not illegal practices." It is up to marketing people themselves to monitor their own programs to make sure that they are not infringing in any way consumer rights and a competitive marketplace.

Digital Marketing and the FTC

Digital marketing is as affected by consumer protection and competitive issues as are all the other areas of marketing. The CAN-SPAM Act mentioned above has the following main requirements:

1. Do not use false or misleading header information. The name of the sender of the message must be clearly stated.

Engage in CADM — Without Leaving Your Desk

If you are a CADM member and have Internet access, you have the tools to participate in our online community. Log on to cadm.org, and use the menu under your welcome message to:

- Update your profile. Have you recently been promoted? Moved? Let us know!
- Access our online member directory.
- Connect with other members by clicking on Community, then selecting Connections. This is similar to "friending" via Facebook.
- Join Circles of Interest to introduce yourself, ask questions and share information. Click on My Community, then select such Circles as Digital, Mobile, Social, Response Marketing and Analytics. You can even start your own Circle! ●

2. Do not use deceptive subject lines. The content of the message must be clearly stated in the subject line.
3. Identify clearly that the message is an advertisement.
4. Tell recipients where you are located and what your physical postal address is.
5. Inform recipients how to opt-out of receiving future email from you.

"The FTC will challenge anti-competitive mergers and business practices that could harm consumers by resulting in higher prices, lower quality, fewer choices, or reduced rates of innovation."

6. Honor opt-out requests promptly within 10 days.
7. Monitor what others are doing on your behalf. This means that if your product is in the digital message and if there is another firm that sends the message, both of you can be held responsible.

Finally, the message's content itself can have an effect on the validity of the message. If the content of the message promotes a commercial product or service, then the CAN-SPAM Act is controlling. If the message is just transactional in nature, then the Act does not control that particular email.

Advertising and the FTC

Another example of how the FTC monitors an area of marketing is the world of advertising. The Federal Trade Commission Act provides the following rules for advertisers:

- Advertising must be truthful and non-deceptive
- Advertisers must have evidence to back up their claims
- Advertisements cannot be unfair.

An advertisement is deceptive when it is likely to mislead consumers who are acting reasonably under the circumstances. The advertisement also has to be "material" to the decision that the consumer makes to buy the product.

An advertisement is unfair when it causes or is likely to cause substantial harm to the consumer when a consumer could not reasonably

avoid the harm. Also, an ad is unfair when it is not outweighed by the benefit to consumers.

The kinds of advertising claims upon which the FTC focuses are those that make claims that people would not be able to evaluate for themselves. Examples of these are claims about health and safety. A more specific example is that sunscreens will reduce the risk of skin cancer. People cannot find out for themselves that sunscreens will actually reduce the possibility of skin cancer.

The penalties imposed by the FTC for false advertising can be very significant. One such penalty is that if a company violates the FTC laws in the future, the company can be fined \$16,000 per day per ad. There are other remedies available to consumers, such as civil penalties and other forms of consumer redress. Some penalties have been that advertisers have been forced to refund consumers in full or in part the purchase price of the advertised product. Also, penalties have ranged up to millions of dollars depending upon the severity of the infraction.

Federal Trade Commission Locations

Marketers should keep up with the latest rulings, laws, and guidelines of the FTC. The headquarters of the FTC is located in Washington, D.C., with eight regional locations, one of which is in Chicago. The Web site states that there are seven regional offices.

The address and telephone number of the Commission's national headquarters:

600 Pennsylvania Avenue, NW
Washington, D.C. 20580
(202) 326-2222

The address and the telephone number of the Midwest Region are:

Federal Trade Commission
Suite 1825
55 West Monroe Street
Chicago, Illinois 60603
(312) 960-5634

Marketers can keep up to date with the latest FTC activities by accessing the Commission's website at www.ftc.gov. ●

Jerry Hannigan's background of over 25 years has been in marketing management and consulting. He also teaches marketing and business as an adjunct instructor at the College of Dupage. His part-time teaching career began in 1999 at the University of Chicago.

One-To-One Marketing in the Modern World

Forty-four members and guests attended October's **One-To-One Marketing in the Modern World**, the first of CADM's 2015-16 **Pillars of Excellence Event Series**. Thank you to event moderator **Joe DeCosmo**, Chief Analytics Officer at Enova International, Inc.; and to our panelists: **Julie Schmidt**, SVP Analytics, Insights and Strategy at The Allant Group; **Dave Cameron**, VP, Global Data Science Lead – Consumer Segmentation, The Nielsen Company; **Greg Green** of Social Deviant; **Ed Stojakovic**, VP, Director UX Strategy at FCB Global; **Jeremy Pettet**, Lead Business Consultant at Salesforce Marketing Cloud; and **Adam Gilbert**, VP, Director of Strategy at ID Media.

Ron Jacobs, President of Jacobs & Clevenger and a CADM Past President, commented: "This was a great event. It was an excellent topic and the discussion and panelists were high quality. Thank you and congrats."

Thank you to **Enova International, Inc.** for hosting the event, and to CADM Corporate Sponsor, **Digital People**. ●



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Retailers Settling into Analysis Paralysis Over Mobile Commerce Progress



By Mickey Alam Khan,
Editor in Chief of
*Mobile Marketer and Mobile
Commerce Daily*

As the rubber hits the road for most retailers heading into the holiday season, some key decisions about mobile commerce are being kicked into the long grass for seeming want of clarity.

While retailers are understandably overwhelmed by the speed of technological change in the mobile space, the swift adoption by consumers of smartphones and tablets to run their work, play and home lives leaves little choice but to follow them, no questions asked. And yet, it seems that retailers are dawdling on the porch, watching the growing dust cloud kicked up by consumers speeding away to those who show them more mobile love.

The continued skepticism is underpinned by several unresolved misgivings. Interacting with retailers and marketers throughout the year and most recently at this week's Mobile Shopping 2014 conference in Litchfield Park, AZ, yielded insight to several hurdles to seamless integration of mobile across all channels and mediums, most crucially, in-store retail. Here they are, in no particular order.

FOR CADM MEMBERS ONLY!

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and see all the benefits
our new partnership with
Marketing Career Network
has for You!



Mobile Web Versus Applications. The lower degree of complication involved in maintaining and upgrading mobile sites for smartphones and tablets — whether via responsive design or mobile-specific renditions — is giving mobile Web an upper hand.

“The rallying cry of most retailers is that they cannot track or measure their spends with the same accuracy as they do online in the traditional Web world.”

This gravitation to the Web is also buoyed by growing evidence for most retailers that consumers prefer shopping via mobile sites over apps — unless, of course, the retailer is the one that gets mobile absolutely right: Amazon.

But there is much evidence that consumers who download and consistently engage with the retailer's app are far more loyal than those who shop via Web.

The fight for more user-friendly apps must continue. While apps are more expensive to maintain and live in a walled-garden atmosphere, their day will come when wearables become mainstream. Oh, wearables — more on that later.

In addition to being a badge of loyalty, heavily engaged-with apps also deliver mounds of information about user behavior. The costs to build and maintain the app have to go down significantly for retailers to continue full-throttle embrace.

Speed of Technological Change is Overwhelming. Some retailers are close to calling time-out on the mobile-on-steroids pace. They have barely gone past getting mobile Web right, justifying spends on apps, integrating mobile into CRM and marketing programs and now they have to contend with continually upgraded operating systems and mobile software that means undoing work wrapped up within the last 52-week cycle. Something has to give.

Manufacturers such as Apple, Samsung and Microsoft, and software players such as Google may face pushback from the marketing and retail side with marketers opting to sit on the sidelines until the upgrade mania subsides.

Add to this cacophonous mix the debut of the Apple Watch to kickstart a sclerotic wearables

category and the confusion is compounded.

The skepticism over smartwatches, especially from the retailer side, is astounding. Wait-and-see is the prevailing attitude. That might change if consumers fully embrace the Apple Watch, transferring some smartphone activities to the watch. But the weariness is apparent at the retailer end.

One more thing.

Apple Pay. So now Apple has skin in the mobile payments game. Already, the manufacturer has the most number of consumer and business credit cards on file worldwide.

But its jump into the payments space makes it easier for only three constituencies: the consumer, the credit card issuer and Apple. The gorilla in the room is still on the sofa — the sizeable cut that card issuers take per transaction, rendering that the equivalent of another tax for retailers.

With regular data breaches and card-data thefts, retailers are no closer to a secure mobile payment solution than they are from resolving issues at point-of-sale or server breaches.

Heard on the retail street: skepticism about broad Apple Pay adoption to make enough of a difference. Time will tell. Apple Pay, like the Apple Watch and the iPod, iPad and iPhone before them, are designed to be behavior-altering products.

Mobile is Big Data. The sheer number of interactions via mobile devices has created a nightmare situation for retailers, brands, advertising agencies and publishers.

Analyzing and making sense of the prodigious amount of data generated to deliver pin-pointed offers via mobile is turning into a healthy business for database marketing and analytics firms. And yet, the rallying cry of most retailers is that they cannot track or measure their spends with the same accuracy as they do online in the traditional Web world.

Have the marketing service providers failed in simplifying analytical insights for retailers? Or is it a question of the messaging? Perhaps both. Mobile is a digital medium and everything can be tracked. The only worry is violating consumer privacy to the extent that it generates a debilitating backlash and dents a brand's reputation.

Visit trade show after trade show, summits and conventions. What is the shared angst among retail executives with mobile responsibilities? Measurement, conversions, analytics, Big Data

How to Reach the Always-on, App-centric Millennial



By Jason Patton

Reprinted from *Mobile Commerce Daily*

I have a challenge for you — if you do not use Snapchat or WeChat, you and a friend sign up for one month and start communicating with each other solely over that platform. By doing this, you will quickly begin to understand how millennials receive and send messages.

In fact, a recent survey commissioned by mobile applications developer Delvv found that 55 percent of millennials view notifications from messaging apps to be the most useful, and indeed more than half of millennials (51 percent) cannot go more than three hours without checking their smartphone.

According to Nielsen, 85 percent of millennials ages 18–24 own smartphones. For this group in particular, mobile is the first screen and smartphones are an integral part everyday life.

According to Moosylvania's 2015 *Millennial Ranking Report*, there are more than 74 million millennials in the United States alone and they have roughly \$170 billion to spend. Brands must stay connected to this group by creating compelling, quality mobile content.

Numbers Speak

One of the core characteristics of mobile is that content is shareable and accessible anytime, anywhere.

However, according to a study entitled "Content Marketing Best Practices Among Millennials" put together by Yahoo, DigitasLBi, Razorfish and Tumblr, 45 percent of millennials don't find content marketing compelling enough to share.

While no one can predict what will and will not go viral, your branded mobile content must be high-quality, engaging and worth sharing.

According to that same study, 55 percent of this group watch video several different times a day on multiple devices.

Moreover, millennials are fine with native ads, as long as they are not deceptive: 79 percent would watch at least some of a sponsored video. What's more, 55 percent would watch the video multiple times if the content is interesting and 51 percent would share it.

These statistics are more than encouraging for those of us working in mobile content with the purpose of reaching this audience. But marketers and brands must leverage smartphones' advanced technology to do so.

insights, cookies — all lack of. Or all not properly delivered. Common standards are needed more than ever.

Budgets – the Lack of Them. It is just too obvious: mobile trials are being denied significant budgets. Senior retail executives have adopted a defensive posture as opposed to setting aside money for experimentation. They demand precise ROI from a nascent medium. Judging a five-year-old for her presidential potential will not cut it. But that is precisely the attitude.

What mobile needs is gobs of investment. Mobile is not just a layer across all channels. It is not just a traffic driver to stores or ecommerce. It is rapidly becoming the front door to the business. Keep the door open with a mobile welcome sign. Think tapfalls in addition to footfalls.

Retailer mindset has to change. Mobile budgets must not be set on a dollar-for-dollar basis. Instead, the investment must be viewed as building buttresses and firm foundations for the retailer's long-term stability.

Here is the reality for retailers still muddling in mobile: The threat of inaction or anemic offense — for whatever reason, and there can be many — is the hard-won customer walking away to a door not too far away.

That door worships at the altar of market share — not margin.

That door pursues a scorched-earth policy.

That door is not afraid of failure, nor content with success.

That door seeks total retail domination, and money is no object. Its means is pointed customer service — wide product assortment, extremely competitive pricing, free or highly subsidized time-sensitive shipping. Its effect is corrosive to competitors, eroding the loyalty with their own customers.

Like the river, Amazon lets nothing get in its way. Its customers are impatient. And so is the retailer: it has determinedly set its sights on mobile. What most retailers see as weeds, Amazon sees as green grass. ●

Editor in Chief of Mobile Marketer and Mobile Commerce Daily, Mickey Alam Khan covers advertising agencies, associations, research and mobile marketing issues, as well as column submissions. Reach him at mickey@napean.com.

Tap Dance

Engagement is key, and technological advancements in smartphones, including haptics, voice recognition and camera phones, have revolutionized the way in which people engage with their devices.

Consider these tips:

- Billions of mobile devices worldwide have haptic technology capabilities. Smartphones are unique in that users are typically holding the device in their hands as they view content.

This device-to-skin contact creates the perfect opportunity to implement haptic feedback in your content marketing video to engage audiences and tell a story in a unique way.

For example, we partnered with Showtime to deliver a haptified video for the series *Homeland*. Viewers felt every bomb explode, and every heartbeat pulse during these intense moments.

- The mobile device revolutionized voice recognition, which effectively enables users to engage their devices without touching the screen. This capability provides a new form of interactivity in mobile video.

Imagine a choose-your-own-adventure mobile video ad that you control by stating commands at your device. Or, using words to say whether you want to learn more about a brand.

- For millennials, their smartphone is their primary camera and video recorder. With the rise of Instagram, images have more meaning than ever before. Use these powerful devices to your advantage by empowering users to create their own images and video of your brand and to share them on social.

Let's face it: the 30-second television spot is dead. Without a way to share content or engage audiences, this form of advertising is no longer a viable way to reach millennials. Diving into mobile video is essential.

Use high-quality content that maximizes the unique technology the mobile platform offers.

Can you imagine a future where we will see augmented reality or holograms on mobile devices? Technologists are excited for mobile's future innovations and brands should be too. ●

Jason Patton is a columnist for Mobile Commerce Daily and vice president and general manager of content and media business at Immersion, San Jose, CA. Reach him at jason@immersion.com.

A Little SOS for SMS Marketing

By Natasha D. Smith, Senior Editor, DM News

Reprinted from [DMNews.com](#)
See more at bit.ly/1Gubt3m

Analysts break down the ever-evolving role of text messages in users' everyday lives and, consequently, in marketing plans.

Here's an interesting statistic: 94% of SMS messages are opened within three minutes. That's according to digital marketing strategists at Teradata. In fact, they say that mobile users read 98% of all of their text messages versus just 29% of tweets, 20% of emails, and a mere 12% of Facebook posts.

"When our phones vibrate, we interact," said Sean Shoffstall, Teradata's VP of innovation and strategy, at the company's 2015 PARTNERS Conference and Expo in Anaheim. "SMS is psychological. So, SMS is a great channel that can drive interactions, loyalty, and conversions."

Shoffstall and Interactive Marketing Manager Brian Drew said that during the last decade, the experiences of mobile phone users have evolved — rapidly, especially when it comes to SMS. They say that nowadays, SMS isn't comprised of just personal, short messages to family and friends. If done right, consumers actually are looking for messages from a brand, that's communication that includes everything from reminders and notifications to incentives, rewards, and appreciation.

"SMS is a very intimate form of communication," Drew said. "Texting is good for personal messages, from political and nonprofit organizations that tap into personal beliefs and causes to retail, hospitality, and airlines, which seem to do really well with texting because messages are relevant at that exact moment in time."

Shoffstall and Drew say marketers who want to include SMS into their overall strategies need to understand two things: every brand needs an SMS content strategy and every recipient needs to opt in to your messages. "There's a strategy to the content; there's an art to the design of the text message, to the simplicity of the text," Shoffstall said. "And the fact that you have such a personal piece of info allows you to make a personalized message."

"It's a privilege to have that kind of direct access, and your strategy should reflect that it's a privilege," Drew said while discussing the importance of creating a strategy that's centered on opt-ins from mobile users. "Marketers need a sound strategy that's built on a specific reason as to why you're sending the messages and who you're sending them to." In fact, Shoffstall said he and his team start with developing and then implementing opt-in strategies for their customers before sending one message to consumers.

"Opt-in strategies should focus on the consumers whose information you already have and on new potential customers, with methods like loyalty programs and promotional deals," he said. Opt-ins are especially important, both strategists said, since SMS is a channel that can cost the receiver money. "Even though many of us have unlimited text messages in our plans, we're still paying for those plans," Shoffstall continued. "[Marketers] are actually taking some revenue or resources from consumers. So the [industry] rules are set up very strongly for consumers."

For B2B and B2C companies that do want to start using text messages in their mobile strategies, one salient rule remains in play: SMS must be part of a multichannel strategy, not a standalone tool. "So many people look at SMS as a siloed strategy," Shoffstall explained. "It's really a multichannel approach. Use Web and mobile to push the customer down the funnel and then bring in SMS to drive conversions." In fact, he said that SMS is great for consumer activation and customer acquisition. "The Web even can be a great place to deliver a secondary marketing message," Shoffstall said. Bottom line: Use text messages as part of a larger plan that drives conversions, prompts actions, and, ultimately, boosts sales.

On a final note, Shoffstall and Drew reminded the audience that an estimated 80% of consumers find SMS nonintrusive and simpler than a mobile app. In other words, people welcome SMS messages from companies — if those texts are valuable. "Do you have an immediate need to interact with customers," Shoffstall asked. "Then SMS might be for you because it's not just a broadcast medium. So prompt conversations in SMS; start with questions and continue with answers — and then more questions. It's a convo." ●



Natasha Smith is the Senior Editor for Direct Marketing News and covers data, email, social, mobile, tech, case studies, and marketing trends. She joined DMN in February 2014. Her journalism experience includes reporting and producing at Cotton Candy magazine, NBC New York, News 12 New Jersey, and CNN in Atlanta.

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4 Ways to Make Push Notifications Part of the Integrated Experience (Because relying on push alone is not enough)

By Elyse Dupre

Reprinted from DMNews
See more at bit.ly/1REf2o8

Digital marketing isn't what it used to be. Mobile has broadened the spectrum and has given marketers new ways to communicate with customers in a timely and relevant way.

Take push notifications, for instance. According to "The State of Mobile Adoption" report by Message Systems, at least 80% of the more than 200 messaging decision-makers surveyed last year had adopted or planned to adopt push notifications this year — trailing behind IM chat (83%), mobile apps (86%), responsive design emails (89%), and SMS text (89%). And it's not hard to see why. The "2014 Mobile Behavior Report" by Salesforce Marketing Cloud declares that 64% of the 470 consumers surveyed opt in to receive push notifications, and 80% of this group find them useful.

Troy Morris, director of strategic services for mobile marketing automation platform provider OtherLevels, says that push notifications offer many benefits that other forms of messaging — like email — can't provide. Consumers' inboxes are "overflowing" with messages, he says, and push notifications can be a more interruptive and immediate way to grab consumers' attention in a contextually relevant way.

However, the mobile messaging mechanism still has its fair share of challenges. Based on client data, Morris says that about 50% of mobile users who initially download a brand's app will opt out of mobile messaging in the first 72 hours.

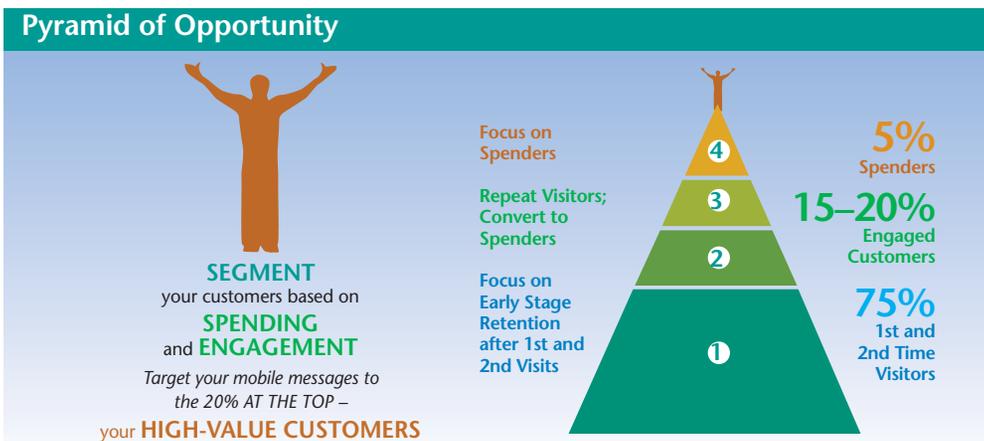
That's why **Ramsey Masri**, CEO of OtherLevels, says that marketers can't solely rely on push to communicate with their customers.

"I think the misconceptions out there are that you can rely on push alone, and that's not the case," Masri says. "Many people turn push off. What happens then? You're done."

Ultimately, Masri says marketers need to have multiple messaging mechanisms — such as SMS, email, or pop-ups — so that they can reach customers through the channels that they prefer.

"Anytime that you can use push notifications to link to a deeper message type that allows for a more meaningful connection with your consumer, you're going to see a boost out of that," he notes.

Here are four tidbits of advice to help marketers to do this even better:



1. Tell an end-to-end story.

When linking push notifications to other messaging mechanisms, Morris advises marketers to keep the native experience in mind. For instance, he says that if a mobile gaming company has created a new feature, it can send a targeted message to people who may be interested in this addition and link to an interstitial ad to show off some bonus features.

"Really you're telling a story to your player or to your end user," he explains. "So you need to make sure that you're able to articulate that in a way that's clear for them."

To best determine this flow of information, Masri suggests focusing on three things: providing enough touchpoints, having the right platform in place to automate the process, and identifying the exact customer journey marketers want users to take. He also recommends conducting A/B testing to ensure that the journey customers are taking is actually effective, rather than annoying. For instance, are deployed push notifications driving revenue, or are people simply turning them off?

2. Focus on engaged consumers.

Pressures to produce more sales leads and revenue can cause marketers to "fish in the ocean," Morris says — i.e., cast the widest net to capture as many potential new customers as possible. However, this tactic can be pretty costly, he notes, and often falls on deaf ears. That's why Morris recommends focusing attention and resources on consumers who have already opted in and are engaged. Once those consumers are satisfied, then marketers can move on to the opt-out crowd.

"Targeting a smaller but more highly-engaged group of consumers with data-driven integrated marketing strategies will support more frequent and more meaningful customer engagement," he says.

Take a look at the chart (above) released in July from **OtherLevels**. Referred to as the "Pyramid of Opportunity," the graph advises marketers to focus their efforts on the top 20–25% of its customer base — a.k.a. its most active segment.

"The data suggests that these customers are far more valuable as potential revenue generators than three quarters of the rest of the consumers who are not yet engaged or opted in," Morris says. "So the Pyramid is a strategy for targeting those active users, and only focusing on first- and second-time visitors after you fully embrace those already-engaged customers."

The best part? Morris says that this approach applies to all channels — and promotes a more integrated thought process.

3. Give consumers choice.

The secret to getting customers to opt in to additional channels is to ensure that each channel provides value. And giving customers choices — say, how frequently they receive communications or what kind of messages they receive — can strengthen this worth.

"Those levels of granular control can go a long way in terms of giving a user who's on the fence all the reason in the world to say, "Yes, I trust you," Morris says.

4. Don't be afraid of opt outs.

Of course, marketers can't please everybody. People are going to opt out. But instead of dwelling on the inattentive customers you've lost, marketers should focus on the engaged customers that they have. "Marketers need to be okay with losing some people on the opt out as long as they don't run the risk of swimming upstream from those folks willing up front to engage," Morris says. ●

Elyse Dupre is a reporter for Direct Marketing News and covers ever-evolving trends in the marketing world.



Ask the DM Experts
by Susan K. Jones,
Susan K. Jones & Associates
and Ferris State University

Are the Teachings of Trout and Ries Relevant in 2015?

Q. As direct response marketers, we can't help but watch the trends in general advertising as well, because they often end up influencing the way we do things. As an academic in integrated marketing communications, what's on your radar screen these days?

A. It's become apparent to me that some of the old rules are in flux because of digital disruption. And of course, all things digital are right in our sweet spot as direct marketers. What I've seen is that some firms using mass marketing are being disrupted by niche marketers who often use digital marketing to talk with — and sell directly to — their customers.

To explore this topic, let's look first at the classic teachings of Al Ries and Jack Trout, who brought out two books in the 1980s. The initial volume was *Positioning: The Battle for Your Mind*, published in 1981. Here are some of the main points from this book:



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"Rungs" on the Mental Positioning Ladder

Strategies	Objectives	Football Example	Classic Brand Examples
Defensive	Market Domination	NFL Defense	McDonald's/Coke
Offensive	Increased Market Share	NFL Offense	Burger King/Pepsi
Flanking	Profitable Survival	Division 1 College	Wendy's/7Up
Guerilla	Survival	Pop Warner	White Castle/RC Cola

- Positioning is in the mind of the prospect
- Nobody can remember more than seven brand names in any category (fast food, soft drinks, etc.) These are often called the "evoked set of brands."
- The less intriguing the category, the less names remembered (can anyone name seven casket makers, for example?)

According to Trout and Ries, we all have mental "rungs" on the positioning ladder. Typically the top rung is the market leader with about 40% market share. Rung two is a very viable position and might be expected to command 20% share. Rung three typically gets 10% market share and may be threatened at that position since the first two brands are so strong. Rungs 4 and lower could be destined to fail unless they carve out unique positioning "territory."

Let's look at a quick example. McDonalds (although having some tough times in recent months) is still the undisputed worldwide leader in fast food — specializing in hamburgers. Number two (at least in the minds of consumers) is Burger King — it's usually mentioned in conjunction with Mickey D's. Next consumers might think of Wendy's — still a burger place. After that, there's not much room for major brands focused on burgers, so the marketplace dictates different niches.

Examples of these niches are KFC (chicken), Taco Bell (pseudo Mexican), Arby's (roast beef) and so on.

One way for a marketer to solidify their position in the customer's mind is to "own" a word. Here are some examples:

- Overnight – FedEx
- Driving (the ultimate driving machine) – BMW
- Safety – Volvo

In addition to perception, a strong position is made through differentiation. This can take place in a number of ways:

- By attribute (Visa – accepted everywhere)
- By ingredient (Crest – fluoristan)
- By being first in the mind (Nyquil – the first nighttime cold remedy)

Next let's look at Trout and Ries' second book on this topic, *Marketing Warfare*, which was first published in 1985.

This book discusses marketing as if it were a military battle or perhaps a football game. In the chart above, you can see the four rungs as presented in *Positioning: The Battle for Your Mind* as they appear in *Marketing Warfare*:

Classically, according to Trout & Ries, the defensive position should not dignify the positions of any brand on a lower rung. These top brands do what is called "reminder advertising" — they don't compare themselves to others. Brands in the offensive position have the clout and money to go up against #1 and in fact they often do: think about Burger King's "broiled not fried" campaigns and The Pepsi Challenge.

The flanking position is a strong one but not strong enough to challenge the leaders directly. In recent years, Wendy's has moved toward more of an adult market rather than classic fast food. 7Up's classic "the Uncola" campaign from the 1970s helped them celebrate the fact that they were not a cola — nothing like it, in fact. Finally, the guerilla position has to be lean and mean and bent on survival. Examples here might be White Castle (still a burger but with small, square burgers and a bit of a cult following) and RC Cola (spotty distribution and much less likely to appear in the cola drinker's evoked set of brands).

Now we have set the stage for the discussion of how marketers must step away from Trout & Ries due to digital disruption. In next month's *adMarks*, we'll talk about this digital disruption and how major brands are coping (or struggling as the case may be!) ●

"Ask the DM Experts" is a monthly *adMarks* feature. Professor Susan K. Jones draws on the knowledge of CADM members and other authorities to answer your questions — so tell her what you want to ask the experts! Contact Susan at sjones9200@aol.com or follow her on Twitter @sjones9200.

WELCOME NEW MEMBER

- **Kara Alvarez**, VP, Product Marketing and Development, Lisle.

MEMBER PROFILE



CADM Vice President **Josh Blacksmith** has served on the CADM Board of Directors since 2014. He is SVP, Group Management Director at FCB Chicago, overseeing global CRM and multi-channel direct marketing work for clients such as State Farm,

PACCAR, Toyota, Lexus, Brown Forman and Anheuser-Busch. Josh joined FCB in September 2012 after working at Biggs-Gilmore (acquired by VML) in Chicago for a year, where he oversaw eCRM, loyalty and digital brand programs for Kellogg's and Heinz. Prior to that, Josh spent eight years at Meredith Xcelerated Marketing in Des Moines, Iowa, where he was most recently Account Director for Kraft Foods CRM in the United States and Canada. Josh has also led CRM efforts for Volkswagen, Chrysler LLC (domestic and international), and Walmart, among others.

When asked why he is a CADM member, Josh said, "I like having the ability to give back to the direct marketing community that has meant, and continues to mean, so much to me throughout my career. I appreciate that CADM provides the opportunity to participate in evening networking and learning events. The association goes the extra mile by pulling in speakers across varied disciplines to help ensure we're all aware of the latest in one-to-one marketing trends and capabilities. CADM connects, educates, recognizes and represents our members."

Named a Top 40 Under 40 marketer by *Direct Marketing News* in 2014, Josh holds a bachelor's degree in advertising from Iowa State University and an MBA with a marketing concentration from the University of Iowa's Henry B. Tippie School of Management.

CONGRATULATIONS TO:

Valid USA, who accepted an award as a finalist in the 2015 Analytics Challenge, powered by the Direct Marketing Association's Analytics Community. "Valid USA is

honored to have our Data Solutions Team recognized for their dedication in using analytics to drive actionable business intelligence, incremental revenue, and increases in ROI for marketing initiatives," said Gary Hofeldt, Vice President of Data Solutions of the Lisle-based firm.

CONDOLENCES TO THE FAMILY OF:

Richard Cremer, who passed away on October 7, 2015 in Naples, FL. Dick was a Vice President at Montgomery Ward in Chicago; Founder and President of Signature Financial Services, a wholly-owned direct marketing services subsidiary of Montgomery Ward; and President of Richard E. Cremer and Associates. A recipient of CADM's Charles S. Downs Award as Chicago Direct Marketer of the Year, in 1981 Dick received DMA's Direct Marketer of the Year Award. ●

Have you recently received a certification? Special award? Honor? If you have a submission for "Member Briefs," please send it to adMarks Editor, CADM, PO Box 578, Westmont, IL 60559-0578 or email info@cadm.org.

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