



# What are the **best** marketing tools for acquiring new customers?

## **Survey results**

### **Why we did the survey**

For most companies acquiring new customers isn't getting any easier so it's crucial to use the most effective marketing tools. To give you some help with this challenge I got 62 companies to tell us which marketing tools worked for them and which didn't.

I asked them to rate the effectiveness of 14 different marketing tools. Eight marketing tools were rated positively and six were rated negatively.

Of course, all companies are different but this summary of the results identifies some areas that you might want to compare with your own experiences. If you need some more specific recommendations for your business please contact me.

### **What *NOT* to use**

According to our respondents the least successful tools for acquiring new business were:

- **Call centres**
- **Price cuts**
- **Cold calling**

Between 58% and 78% of respondents rated them "Poor" or "Very poor". The worst "Very poor" rating was given to **Limited time promotions** which came in fourth.

It seems that customers either want your product/service now or they don't. Contacting people out of the blue and short term offers are far less effective than some people believe. The results indicate that it's time to find out what your customers and prospects really care about. It isn't price cuts and limited time promotions.

### **The top three marketing tools that work**

#### **1. Face to face networking**

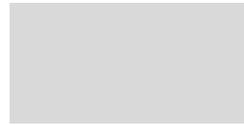
84% of companies stated that face to face networking worked for them.

#### **2. Partners and agencies**

80% of people rated Partners and agencies as "Good" or "Very good".

#### **3. Added value content**

76% stated that added content in articles, mailshots and websites helped them acquire new customers.



Overall the ratings are higher than we expected which could be a reflection of difficult economic times where risks are to be avoided even more. My recommendation would be to investigate increasing activities in each of the top three approaches.

In several previous studies I've seen how customers make decisions when faced with what appears to them as similar products. They assess the options based upon three factors: Relationships, Trust and Expertise. The same approach is used to select products where they have little or no experience. All of the top three approaches for acquiring more customers support those three factors of relationship, trust and expertise.

## Results for other marketing tools

### Traditional Marketing tools

**Events and seminars** scored well with 25% of respondents rating them "Very good". The overall pattern shows that some people have cracked the model and they really do deliver new customers. However a significant proportion of people do not rate them at all. Further investigation shows that your own events seem to give a much better return on investment than taking part in other peoples.

While just over half of respondents rated **Printed ads and brochures** as "Good" only 3 people rated them "Very good". The overall shape of the ratings indicate that they are not as effective as many other marketing tools.

### Electronic marketing tools

Over the last few years the most widely promoted marketing tool to companies of all sizes are **Web sites** and search engine optimisation. The survey tells us that two thirds of respondents regard their web site as a positive tool for acquiring new customers. That leaves a third who either can't or don't capitalise on their web site. In my view all web sites should play a part in helping to acquire new customers

Less than a third of respondents have ever tried **Promotional micro-sites**. Less than any of the other tools listed in the survey. 57% of people who did try them rated them positively.

The response on **Google Adwords** was pretty evenly split across all of the scoring options. My follow up conversations indicated that Google Adwords work best for companies selling very specific products such as software, ink cartridges or BtoC services. Broader services such as management consulting or marketing had poorer results.



The pattern of results for **Email marketing** indicates that it's good for some companies who know how to do it well but unlikely to produce outstanding results on its own. It works best when taking into account the three factors of Trust, Relationship and Expertise mentioned earlier. Sending large numbers of emails to people who don't "know you" is a waste of effort.

**Electronic networking (LinkedIn, Twitter, Facebook etc)** is a relatively new marketing tool and surprisingly was still one of the least tried. However, many Sales people rated LinkedIn particularly as one of their most valuable and effective tools. I expect that the positive ratings will be significantly higher each year as more companies discover how to use these tools more effectively.

## Summary

Marketing tools that "push" messages and offers at prospects are becoming less effective as ways to acquire new customers. My recommendation is to focus more on ways that the prospects can "pull" information from you when they require it. This means that you have to be visible, able to demonstrate expertise and appear to be the sort of company that would be good to do business with.

The most effective marketing will always be a blend of tools appropriate to your business and your target customers. Hopefully this summary report will help you identify some areas to investigate further in your marketing mix but if you need more help please contact me.

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