

When movies cost \$10.75

Have you been to the movies lately? The ticket prices keep creeping up and this past Sunday I paid \$10.75 to see True Grit (a great movie, by the way, and worth watching). Just a few months ago, tickets were \$10, and before that \$9.50 and back in the last century, one could catch a flick for about \$5.

Consumerist reports that movie ticket sales were at their lowest point since 1996 (back in the last century) in 2010. At the same time, movie prices are at their highest point in history. Coincidence? I think not. The article also says more people are staying home to watch streaming video or waiting the shorter time between a movie's theatrical release and its DVD release. But, I think, the real cause is the high cost of the movies versus the cost of staying home/watching online or on DVD.

What this illustrates is that no matter the quality of your product (and there are some excellent movies out there) or the frequency of your advertising or the success of your public relations efforts there are reasons that people will not buy your product (or service). Consumers will determine whether your product offers value and whether they are willing to pay for that value.

When movies cost \$10.75 and you have a family of four, or you are taking your significant other out for a date, or you are just killing time, you may think twice about it. After all \$10.75 could buy you a meal or even a book. Pricing matters and higher costs will translate into lost customers. There is a balance point where you are charging more to fewer people and still making money—and that probably is the holy grail of pricing.

How does movie price affect your movie watching? Are you going

to the movies in spite of the higher costs?

Following up: your number one marketing resolution for 2011

To create real, actionable marketing resolutions for 2011, you need to do two things.

- First, you will need to review 2010 and figure out what worked and what didn't work.
- Second, you should ask yourself what are you going to do differently this year to achieve your marketing goals?

If there is one thing most people could do differently is to follow up. Few people go the extra mile. Recently, I have been looking for contractors for a couple of jobs in my house. Out of five contractors, three followed up. The two who didn't follow up don't have snowball's chance in Hawaii to do business with me. If they don't even want to know whether I got their estimates or if I have any questions, clearly my business is just not that important to them.

To follow up means doing your due diligence with a contact—any type of contact. If you met someone at an event, follow up and make a second contact. If you left a voice mail or sent an email, and didn't hear back, call again and make sure to speak to someone in person. If you sent a proposal or met with a lead, make sure to contact the lead soon after your initial interaction.

Not following up means that you don't care enough to make the effort. Following up shows you care, that you are interested.

Again, marketing is not all about the great looking ad or the slick brochure. It is about personal interaction with the people who you want to buy your product or service.

So how about it, will you join me in resolving to make following up a marketing resolution in 2011?

Happy Holidays!

Wishing all Caffeinated readers a very happy holiday, and all the best for a prosperous, peaceful, and HAPPY NEW YEAR!

[youtube=http://www.youtube.com/watch?v=a1c8wCD0rk8&fs=1&hl=en_US&rel=0]

Are you a tease?

Nothing is more disappointing than a tease. A tease will always let you down after getting your attention because a tease is nothing more than an **unfulfilled promise**. And yet, we see teases in marketing all the time.

Teaser rates are those rates that sound so great that you are drawn to a financial institution, only to learn that you don't qualify. Marketers love these because they get people in the door, but at what cost? If your potential customers are disappointed, will they come back?

My personal least favorite tease is the blog post or website article that isn't. You see a headline that reads something like this: Learn how to fold sheets in 2 minutes flat. Then, when you go to read the post ,there's little more than the headline and a link to an e-book on sheet folding.

To me, teasing readers on your blog with misleading headlines betrays trust. I have stopped reading a great many blogs because the authors of those blogs just want me to buy something. They don't want to share with me.

Now, I understand you can't give it all away for free. You may have a book to sell or a seminar to fill. But don't insult your readers/public's intelligence. They can see that you pulled them in just to sell them something—and they won't come back.

Teases are annoying—and their actions teach others to avoid them.

On becoming dependent and thoughts on crying

The social media news of the moment is that Yahoo! is shutting down Delicious, the social bookmarking site. I have used Delicious intermittently over the past couple of years, and I am sure there are several interesting articles stored over there. I am told that it is fairly easy to transfer them to another site, but the issue remains, what happens when we become dependent on any website?

Many of us depend on Facebook to share pictures and news with friends and family. Others depend on LinkedIn to keep track of our professional network. We use readers to keep our RSS feeds all in one place. We are using cyberspace to keep our cyber activities organized. And yet, websites can be shut down at any moment and all our carefully curated information could be lost in an instant.

How do we become independent from the websites we depend on? First, figure out what information you must positively have access to and keep it in a hard (printed) format. I am talking about addresses, website URLs, email addresses and anything else you need to contact your clients, friends, network in general. Perhaps it is a good idea to keep a hard copy list of the blogs you read too.

On a totally unrelated topic, I have been reading a lot about John Boehner (incoming Republican Speaker of the House) and his crying. The man opens up the waterworks at the mere mention of his humble origins. This fabulous piece from Timothy Egan in the New York Times Opinionator blog says its mere hypocrisy as Boehner's policies do more harm than good to people of humble origins in this country. The marketer in me thinks there is more to the crying than meets the eye. I think it is a very calculated move on Boehner's part to seem sensitive. Either that, or he has no emotional control.

What are your thoughts? Are you dependent on your social media? And is Boehner just a big cry-baby?

Logistics?

Have you seen the new UPS commercials? It's about logistics. There are several different iterations, but they all talk

about how important logistics are, and of course, UPS is all about logistics. Really? I thought UPS was about shipping. But I guess I am supposed to now think of shipping as just the visible part of the complex web that is logistics.

[youtube id=mRAHa_Po0Kg&fs=1&hl=en_US]

What's good:

Song is memorable. Logistics is a new USP for UPS. It has definitely caught my attention.

What's bad:

Logistics? Really? Is that why I would ship with UPS over Fedex?

Your thoughts?

Pepco Post Number 3

As I mentioned in my last post, the Washington Post published a pretty devastating expose of Pepco's failings and today, there are several letters to the editor that provide some insight into public unhappiness with the utility company. Additionally, Post columnist Robert McCartney has a pretty strong take on Pepco and its excuses.

Pepco is facing a public relations crisis. As McCartney points out, Pepco's PR strategy of saying that customer's expectations are too high is unsatisfactory and, frankly, ridiculous. The last time I checked, the United States is a first-world country, and Washington, D.C. is its capital. As such, it is not out of line to expect power to be 100% reliable. If, however, this was Haiti, then maybe expectations

of electrical service would not be met.

Pepco's brand promise SHOULD be about reliability. Instead the brand has come to mean LACK OF RELIABILITY. In order to restore its brand, Pepco is going to have to engage in communications that are responsive to real concerns, but further, should absolutely engage in FIXING THE PROBLEM. As I stated before, no amount of communications is going to satisfy a customer who has experienced frequent, extended power outages.



UPDATE: Pepco and reliability

Last Friday, I wrote about how Pepco needs to concentrate on customer service and less on marketing. In fact, the company will have to deal with lots of damage control because the Washington Post published a devastating article on Sunday that finds that Pepco has TERRIBLE reliability and that it has nothing to do with trees and storms but rather with equipment failure. In response, Pepco will have a press conference today to discuss their five-year improvement plan.

Again, Pepco would be best advised to spend money fixing the problem than spending thousands on an ad campaign to make the company appear to care about its customers. In the end, customers don't have a choice when it comes to power companies. I understand the latest Pepco ad campaign is about image...but again, customers will develop an image based on their own experiences. Everyone who suffers power outages frequently (Pepco customers suffer power outages 70% more frequently than counterparts in other large cities) knows

Pepco is NOT reliable, and does not work hard enough to restore power quickly. Today's full-color ad in the Washington Post (with the tagline "We're working for you") is not going to change minds.

Do you think Pepco can fix its image? Is image even the problem?

Want to improve your marketing? Start with your customer service.

The best, most award-winning ad in the world won't sway an unhappy customer's mind. Keep that in mind as you tinker with your marketing and you don't check in with your customer service.

If you live in Washington, DC or Maryland, you probably have PEPCO as your electric company. And if you were around this past summer or during the massive blizzards of February, you probably lost your power. You tried calling PEPCO only to get bad information or no information at all. Then you found out that PEPCO is rated very poorly among all electric utility companies in the United States. You probably weren't surprised.

Fast forward to the Fall of 2010. PEPCO is busy running a TV commercial featuring the company president assuring the viewers that PEPCO is responding to customer concerns. But, is it true?

Yesterday, I had to call PEPCO. I was on hold for 21 minutes.

And there was no emergency. Can you imagine what hold times will be when there are outages?

This is a case where PEPCO is investing money in its marketing without investing money in customer service. This is a major mistake. Customers don't care if you are running a great ad campaign, have well written brochures and a redesigned website, if they cannot get through to an agent to resolve their problems.

Customers will judge a company on its service, not on its marketing. Marketing may get customers through the door, but it will not retain them or make them think positively about your company or organization (this applies to nonprofits as well).

Before you spend any money on a marketing campaign, make sure that you have budgeted for customer service.

Marketing that works and marketing that doesn't

There are some people (agencies, businesses, etc.) that excel at marketing, and others, not so much. I want to share two examples with you—one of something that worked well and one of something that didn't.

Alchemy Salon—Customizing the Experience (What Works Well)

A couple of weeks ago I tried a new hair salon. When I arrived, I was asked to fill out a form. I then got my hair cut/styled and all looked good. A couple of days ago I got a HANDWRITTEN card in the mail, thanking me for visiting Alchemy

and inviting me to use their online appointments option. Also, they sent me instructions how to access the online “Alchemy Rewards Program.”

The good here:

- Personalized response
- Smart use of online options
- Invitation to a loyalty rewards program
- Follow up/thanking me for business

Everything But the Turkey Volunteer Program at the DCJCC (What Doesn't Work Well)

The Everything but the Turkey programs asks people to sign up and pay \$10 to prepare the side dishes (yams, etc) for Thanksgiving meals to be given out by a food bank. Hundreds of pounds of sides are prepared and shipped to the food bank for distribution. I have participated at least twice in the past few years. This year, as part of the GENERAL DCJCC events email, I was told about the program. I did not receive any personal invitation. For various reasons, I didn't choose to participate this year, but mostly, because I was not motivated enough to give up an evening.

The bad here:

- Lack of personalization (no acknowledgment that as someone who volunteered before, I may want to volunteer again)
- No follow up
- No burning reason to participate

When you send out any type of marketing piece you are “touching” your audience. You can do so successfully or you can fail to leave a good impression. Think about what you are sending out and what you intend the recipient to do. Now, are you doing something that works or something that doesn't?

And lastly, many marketers do not measure success. In Alchemy's case, if I join their online rewards program, they will have a way to measure whether I responded to their marketing. In the DCJCC's case, clearly, they are not correlating the marketing to the volunteer database, so they have NO way of knowing if volunteers from last year signed up again.

I am interested in specific examples of marketing that works (or doesn't work). Please share with me in the comments.