

Dear Ms. Lee:

Please find my analysis below of our recent marketing campaign for the “Surviving the Economic Downturn” panel discussion.

Following the Overview and Background, you will find my Financial Analysis including Income and Expenses, Break-Even, ROI and Registration Attributions. Please pay special attention to the Registration Source Attributions as it directly correlates with the following eMail and Public Relations Results & Effectiveness sections. Lastly, you will find a brief Summary and some Recommendations to improve performance in the future.

Overview:

This provides an analysis of the marketing communication tactics we deployed to generate interest and thereby attendance for our “Surviving the Economic Downturn” panel discussion on December 6, 2008.

Background:

The current economic climate has dramatically shifted the kind of counseling requests our organization is seeing today. Our counseling and workshop attendance during the first half of the year was focused on new business start-ups where today we are being deluged with requests for information on managing cash, receivables and maintaining sales. To address these needs among our existing and new clients, we conducted our first ever “panel discussion” where we could field a broad base of questions and offer specific advise.

The panel discussion was announced and promoted through a series of three email blasts beginning one month before the event and complemented by a public relations effort designed to generate media mentions of the event.

REGISTRATION METHOD:

Registration Method	# of Registrations	% of Registrations per Registration Method
Website	25	59.5%
Calling the office	7	16.67%
Website or calling the office	5	11.9%
At the Event	5	11.9%

Financial Analysis:

EVENT INCOME:

Registration Method	# of Regs.	Price of Registration	% of Regs. \$/ Registration Method	Total \$ Per Registration Method
Website	15 @	\$35 = \$525	56.94%	\$1,025
	10@	\$50 = \$500		
Calling the office	7	\$50	19.44%	\$350
Website or calling the office	5	\$35	9.72%	\$175
At the Event	5	\$50	13.89%	\$250
TOTAL EVENT INCOME	42			\$1,800

EVENT EXPENSES:

Expenses	Total	Downturn Event
Room Rental	\$50	\$50
PR Agency Fee (monthly)	\$333 monthly retainer	*\$111
eMail service provider (monthly)	\$200/month (up to 1 million)	**\$96.80
TOTAL EVENT EXPENSES		\$257.8
*— PR agency provides a range of work on a monthly retainer. Only 1/3 of their monthly fees are assignable to this event. 1/3 of \$333 monthly fee = \$111 for Downturn event.		
**—# Emails sent for Downturn event: 33,841/ total # emails sent: 69,911 = 48.4% of emails sent were for Downturn. 48.4% of \$200 fee = \$96.80		

Break-Even Analysis:

Selling Price – Cost of Goods = Gross Margin

\$43 avg. ticket price – \$6 (total costs of \$257.8 divided by 42 registrants) = \$37

\$37 / \$43 = 88% gross margin

Since this is a service rather than a product being sold, and since most of the service is fulfilled free of cost by volunteers, the overall cost of goods is very low and the Gross Margin (*for this event only*) is very high at 88%.

Break-Even Revenue Threshold: \$292.95

Cost / Gross Margin = Break-Even Revenue

\$257.8 / 88% = \$292.95

At this low break-even point, only 9 \$35-tickets or 6 \$50-tickets are required to break-even for this event. This low break-even point makes it a very low risk proposition to undertake an event such as this. In this case, the event made much more than that with a \$1,507.05 profit.

Return on Investment Analysis:

EVENT (ROI): 598%	PR Agency ROI: 215%
Net Profit = Sales Revenue – Total Costs \$1,542.20 = \$1800-\$257.80	Net Profit = Sales Revenue – Total Costs \$239 = \$350 - \$111
ROI % = \$ Net Profit / \$ Investment 598% = \$1,542.20 / \$257.8	ROI % = \$ Net Profit / \$ Investment 215% = \$ \$239/\$ 111

The Return on Investment (ROI) for the whole event is a whopping 598%. This is exceptional ROI can largely be attributed to the very low cost of hosting the event, due to the free volunteer workforce. With an ROI this high, it makes hosting these a very worthwhile proposition.

The Return on Investment (ROI) for the Public Relations Agency’s fee for this event is 215%. While this isn’t nearly as impressive as the almost 600% for the total event, it is a respectable sum that means you will more than double the money invested. In this case, the registrations directly attributable to the PR Agency’s efforts represented 19.4% of the total.

REGISTRATION SOURCE ATTRIBUTIONS:

Source	Date Sent	Assoc. Regs	\$/reg.	% of Total \$	\$ per Source
* Email Blast: “Financial Help and New Business for Entrepreneurs.”	11/4	15 (35.7%)	\$35	29.17%	\$525
1 st & 2 nd Emails	11/6 & 11/25	5 (11.9%)	\$35	9.72%	\$175
San Diego Business Journal mention (PR agency)	12/1	7 (16.6%)	\$50	19.44%	\$350
This Week’s Workshops Email	12/1	0	\$0	0	\$0
Follow-up “Reminder” Email	12/4	10 (23.8%)	\$50	27.78%	\$500
Walk-up Event Registrations	12/6	5 (11.9%)	\$50	13.89%	\$250
TOTAL EVENT INCOME					\$1,800
* We must assume this email promoted the Downturn event; can’t find any other way they would know of the event and register en masse on that particular day.					

eMail Results & Effectiveness:

REGISTRATIONS ATTRIBUTED TO EMAILS SENT:

Source	Date Sent	Assoc. Regs	\$/reg.	% of Total \$	\$ per Source	Clicks	Conversion Rate
* Email Blast: "Financial Help and New Business for Entrepreneurs"	11/4	15 (35.7%)	\$35	29.17%	\$525	63	23.8%
1 st & 2 nd Emails	11/6 & 11/25	5 (11.9%)	\$35	9.72%	\$175	166	3%
This Week's Workshops Email	12/1	0	\$0	0	\$0	83	0%
Follow-up "Reminder" Email "Saturday's Special Event-Surviving the Downturn"	12/4	10 (23.8%)	\$50	27.78%	\$500	106	14%
TOTALS attributed to Emails Sent		30 of the 42 total attendees (71.43%)		66.67% of the total sales	\$1,200 of the total \$1,800 in sales		
* We must assume this email promoted the Downturn event; can't find any other way they would know of the event and register en masse on that particular day.							

The email campaign provided the majority of the registrants for this event with 37.5% - 66.67% of the registrations coming from emails sent so I consider it a great success. That said, there are some simple improvements we can and should make moving forward.

First and most importantly, the range of percentages in this category represents an assumption I have been forced to make which is that I must assume the "Financial Help and New Business for Entrepreneurs" email promoted the Downturn event and was a great source of registrations because I can't find any other way the public would have known of the event and register en masse on that particular day. The fact that we don't have proper tracking in place to track each email specifically is a critical error in this campaign.

So, for the purposes of this analysis, we must assume that registrations on days the emails were sent are attributable to those specific emails. Based on that premise, we can see that the email "Financial Help and New Business for Entrepreneurs" (sent 11/4) was very successful with 15 registrations (35.7%) and 29.17% of the sales at \$525. The Follow-Up Reminder Email (sent 12/4), "Saturday's Special Event-Surviving the Downturn," was also very successful with 10 registrations (23.8%) and 27.78% of the sales at \$500.

Likewise, we can see that the 1st & 2nd Event Emails entitled “Special Event-Panel Discussion-Surviving the Downturn” (sent 11/6 and 11/25) and the “This Week’s Workshops Email” (sent 12/1) were not successful, with only 5 registrations representing 11.9% of the registrations and 9.72% of total sales at \$175. Based on the decent open rates for these emails, I would infer that the subject lines were acceptable enough, although they were somewhat boring sounding. The subject lines were also very long, with the most important, attention-grabbing part at the end which would be cut off in most email programs.

Lastly, the large quantity of body copy is off-putting for online readers. Email content should be succinct and easy to read at a quick glance. This large amount of copy may have led to the dismal 3% conversion rate, assuming that the reader never got the message, which was buried three paragraphs deep. An email with a couple lines of text announcing the event and then some bullet points with the benefits to the reader would have been much more compelling.

The email “Saturday's Special Event-Surviving the Downturn” (sent 12/4) had a much higher bounce rate (244 compared with 13, 23 and 51 for the other emails in this campaign). I believe this high bounce rate can be attributed to the fact that the email offered a \$20 savings but, to my knowledge, they did not receive it. This would explain why they might leave the registration page quickly, feeling duped by a fake deal when they got to the landing page and discovered the price was not discounted by the \$20 as promised. This email did have a lower open rate (11.6% compared to 15.76%, 16.8% and 17.94%), but a good click-rate which makes me curious.

These departures from the relative norm of the other three emails on this campaign makes me wonder if a different email list was used. Sending to a different list of less familiar people would account for these types of changes. In fact, I’m very curious why there are different numbers of delivered emails. This suggests that different lists are being used and different people contacted only once, versus the same list of people being contacted several times. If that’s the case, that is a critical error and SCORE should use the same list of interested and familiar people and reach each person multiple times. I believe the email content being more concise also helped significantly in achieving the impressive 14% conversion rate.

The email “This Week’s Workshops” (sent on 12/1) had a much lower bounce rate (13) than usual range from 77 to 258. I would strongly recommend investigating and capitalizing on this phenomenon to make that the norm for better overall conversion rates.

Public Relations Results & Effectiveness:

REGISTRATIONS ATTRIBUTED TO PR AGENCY EFFORTS:

Source	Date Sent	Assoc. Regs	\$/reg.	% of Total \$	\$ per Source
San Diego Business Journal mention (PR agency)	12/1	7 (16.6%)	\$50	19.44%	\$350
TOTALS attributed to Emails Sent		7 of the 42 total attendees (16.67%)		19.44% of the total sales	\$350 of the total \$1,800 in sales

The Return on Investment (ROI) for the Public Relations Agency's fee for this event is 215%. While this isn't nearly as impressive as the almost 600% for the total event, it is a respectable sum that means you will more than double the money invested. In this case, the registrations directly attributable to the PR Agency's efforts represented 19.4% of the total.

Some of the walk-in registrants may be attributable to the PR Agency's efforts by seeing it in the paper, however, without means of tracking these registrations, we cannot be sure and therefore cannot add those to the equation on the PR Agency's behalf. I would have liked to have seen more than one email and one resulting press mention from them to increase their contribution to this effort. This type of campaign should be an 'easy sell' to the media that is so hyper-focused on the economy. As with the email campaign, the results tend to build exponentially so I would have liked for them to take a few minutes to re-write the headline and lead and send out a couple more versions to get more momentum behind this worthy cause.

Their performance met the minimum but was otherwise unimpressive. I would expect for a reputable PR Agency to build long-term positive relationships with the local media so that each event gets automatic coverage.

Recommendations:

Of the 336 unique visitors to the landing page, only 42 registered. That's a very respectable 12.5% conversion rate. However, the 80.82% overall Bounce Rate on this landing page is very high. That means that visitors who were motivated enough to click out of their emails or come on their own to the landing page didn't get what they expected when they clicked through so they backed out quickly, leaving the website and costing a potential registration.

Since the majority of registrations were via the website (59.5%), it's my recommendation to improve the landing page to decrease the bounce rate and improve overall conversions. It must deliver on whatever the emails promise or you will lose your most interested customers.

Also, in order to better track the efficacy of each tactic, I strongly recommend creating unique landing pages to see clearly which tactic motivated each sale. As it stands, we are forced to

make some assumptions regarding where some of the registrants originated. The same can be done with the phone registrations by providing different phone numbers, although this is somewhat less important since phone registrations only account for 16.67% - 28.57% of registrations for this event. The very fact that we don't have an exact number to know how many people registered by phone illustrates the great necessity for better campaign tracking.

Five people registered at the door, paying \$50 each, which represented 11.9% of the total registrations. I strongly recommend surveying walk-up registrants in the future to see why they paid at the door, especially when it costs significantly more. Is it because they do not have a credit card to pay online/over the phone? If so, find a way to make accommodations. Is it because they didn't know in time/heard from a friend/attended as a friend's guests, etc? If so, collect their information and get them on the mailing list. Knowing these answers will help dramatically for future campaign tactics.

Finally, the messaging of the campaign was all aimed at small business owners. I would recommend presenting some additional events for non-business owners and broadening their customer base. The subject lines all sound more general and perhaps that was a contributing factor in the higher bounce rates.

Summary:

Overall, this campaign can be considered a success, based on the very high 598% ROI and conversion rates up to 23.8%. However, despite these positive figures, I know there is room for improvement in every area.

It is astonishing to me that an area as large as San Diego and Imperial Valley would yield only 42 people. Even though the ROI and conversion rates added up, the actual number of attendees pales in comparison to what I would expect from this population. The email campaigns need to be better organized and executed so they best capitalize on success they have experienced. The email campaigns needed to be analyzed and adapted along the way and written by staff who better understand the principles of writing online content.

Ultimately, the administrators of this campaign need to be able to track their progress and adjust on the fly. By not having solid tracking methods in place, we are forced to guess and that leaves a lot of room for improvement by itself. The PR team could have put more effort into their performance by sending multiple press releases for very little additional effort. The walk-in registrations should have been surveyed to understand how they learned of the event and why they registered in person. By not polling these people, we lost valuable data for the future.

While this was a successful event in terms of ROI and conversion rates, its biggest benefit to SCORE is as a learning opportunity for future events. If SCORE implements tracking for ALL tactics, modifies campaigns as they go, and expects more from their PR agency, as well as developing their own media contacts, they will be primed for exceptional success in the future.