Building Successful Fan Relationships

Challenge: As live entertainment event marketers, the events we market are continually changing. Bon Jovi one day, Doodlebops the next. As such, the consumer base we are marketing to differs from one event to the next. How do we build loyalty with these different consumers and send relevant messaging in a dynamic environment?

Solution: We will start with the fundamentals on how to build a more meaningful relationship with the consumer. The keys to success in fostering a one to one relationship with a database of thousands or even millions are in personalizing your communication and respecting your audience. If every communication is about what you want to say and not about what your customer wants to hear, you're failing at serving your patron. And eventually, you'll see that person tune out or disappear. A successful email marketing strategy starts with growing your opt in list - *wisely*. If permission isn't explicit, you are starting off your relationship with your customer on a negative foot. Once signed up to receive your communications, you must then concentrate on building loyalty with your customer. Get them to trust you and send them valuable emails.

GROW YOUR OPT-INS

...and have them *truly* be opt-ins. The foundation of any successful email program begins with a healthy database of customers and contacts that have granted you permission to actively message them at a personal level. Without this base, the handsome rewards of a successfully targeted email campaign are unattainable.

> Daily email traffic is estimated at 60 billion according to market research firm IDC. It's easy to see why relevant messages to your list are so important. You need to give the consumer a compelling reason to open your email in the sea of hundreds in their inbox daily.

Be Explicit During the Buy Process. Traditionally in our business we automatically opt-in anyone who buys a ticket from us. This would be a fine practice, *if* we communicated this practice to the customer while they were purchasing. When communication of automatic opt-in is not communicated during or after the buy process, your customers are caught off guard and have no control over the messaging they are going to receive from you. This sends a message to the customer that the relationship they have with you is on your terms, and not theirs. The relationship is further damaged when your customer, who just bought tickets to a family show at your venue, receives information about an upcoming rock concert. Not only are you opting the customer in without their knowledge, but now you are sending that customer information that doesn't even resemble the purchase they just made with you. It's easy to see how our patrons can get disgruntled or upset from the immediate start of the relationship. We send confirmation emails for purchasing tickets with all of their needed ticket information, why not explicitly communicate in that email that they are now a valued member of your VIP club and give them a link to fill out their preferences so that you can send the information that *they* want receive? This strategy works on many levels. First, you are being up front with your customer from the moment they become your customer. This starts building trust from day one. Secondly, you give your customer the opportunity to tell you what they want from you. With this information you can now tailor your messaging to what they want to hear, and ultimately build loyalty with this person because they are receiving information relevant to their preferences.

Increase Web Traffic. Buyers are not the only way to grow your opt-in list. Every person who visits your website should be asked to give you their email address. However, simply asking every person who visits your site is not enough of a marketing push. The majority of websites do not generate enough traffic to drive a high amount of opt-ins. Venues and teams need to drive online interest to boost your site traffic. Experiment with your marketing efforts with as many different channels as possible. Track and measure your results so that you know which methods are yielding the highest ROI.

Below are just a few examples to help drive traffic to your site.

- Co-market with local businesses and newspapers.
- Concentrate on Key Word Portals and USP Buys.
- Allocate the time and resources to make sure your website is optimized for search engines.
- Experiment with the box office lines and offer an incentive for those people to give you their email address.
- Create a contest or incentive to promote at the bottom of a concession receipt.
- Create a season long contest asking ticket holders to go online and put in their ticket number (a unique identifier that can be added to each ticket) in with their email address. Make the prize worthwhile. If you capture 10,000 email addresses what is that worth to your organization?
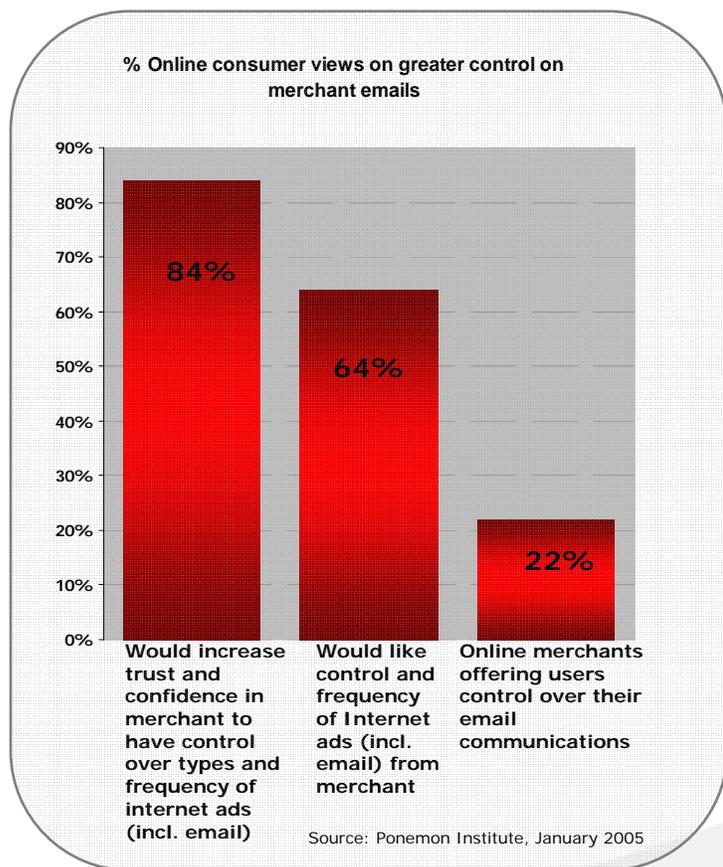
> "We're pretty much changing our philosophy with respect to e-mail communications with our customers. We came to the conclusion that these broadcast e-mails are a detractor from our brand... In the old world, having a big list was probably a value. Now we're more interested in active recipients." Patrick Herde, director of product management and marketing at CBS SportsLine

Convert Web Visitors Into Members. Once you have the visitor on your website now you need to focus on converting them into a member. All too often the call to action to sign up for a VIP club is *only* on the main page. This call to action needs to be clear on every page of your website. If someone lands on your site from a search engine query or an email click through from a promoter, they most likely are being sent directly to an event specific page. If there is not a call to action to sign up for your VIP club on every page, then you are missing a big opportunity to build a relationship with a new person. You need to strategically place your call to action in areas that make the most visual sense. Take a step back and browse your website as if you've never visited it before. Would the call to sign up catch your eye? As your surf your site, are you asked repeatedly to sign up? Make sure the design of the call to action attracts the most screen attention. Many consumers casually surf a site many times before they decide to buy. People are busy, and sometimes they have intent to buy, but simply forget and the event passes.

> 76% of consumers will delete unsolicted email versus 2% for permission email – IMT Strategies

Therefore, when consumers visit your site, you need to take every effort possible to capture their email address so that you can *proactively* market and sell to them.

Give Consumers Control. Consumers want control. Once they've taken the plunge and decided to give you their email address, they want and expect to be able to control the types of information and messaging that they will receive.

The graph below outlines that consumers want greater control over their online communications.

% Online consumer views on greater control on merchant emails

84%	Would increase trust and confidence in merchant to have control over types and frequency of internet ads (incl. email)
64%	Would like control and frequency of Internet ads (incl. email) from merchant
22%	Online merchants offering users control over their email communications

Source: Ponemon Institute, January 2005

It's critical that you comply and respect their desire for control. Be clear and detail exactly to the consumer what they can expect by signing up with you. Allow them the option to choose which type of messaging they receive. Allow them to tell you how often they want to receive it. In the live entertainment business, many organizations send out newsletters with a plethora of upcoming events. Give the consumer the option to receive those. Many who sign up for a VIP club in this industry do so to receive the offers for the events that they are interested in attending. It's important to allow them to choose to only receive these offers. A consumer who wants to receive only offers is a consumer looking to buy from you. It's

absolutely imperative that you don't anger a potential buyer by sending them more then what they want. In a day when email boxes fill up faster then ever, the decision for a consumer to give their email address is a calculated and well thought out one. Be thankful that they've decided to sign up with you. Give them the control to decide which communications they want to receive and how often they wish to receive them. Finally, follow-up and give them *only* what they've asked for!
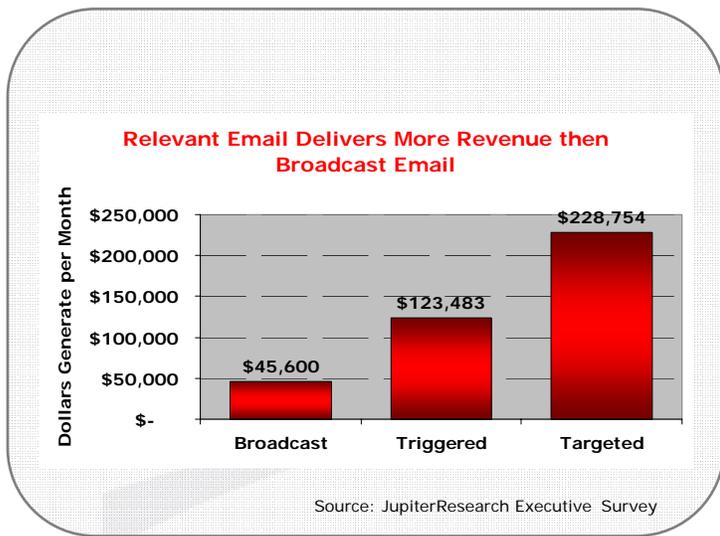
BUILD LOYALTY

The main ingredients that establish loyalty are easy – trust and value – the trust your customers have in your value and the value your email marketing brings them. So why do we blast customers with every single email offer we have? Ask any manager and the answer is simple: the more people you hit with an email the more tickets you sell. But that answer is short sighted. While emailing a list of 300K versus 30K might generate you 30 extra ticket sales, we have to ask ourselves, are those 30 extra tickets worth losing the trust and interest of 100K contacts in your database? The long term affect will be list fatigue in a shorter amount of time. And list fatigue amounts to a tuned out audience who doesn't react to your messaging and therefore doesn't buy.

Maintain Your List. You've put the effort into building your list, now it's time to maintain it. A well maintained list yields trust and a higher response to your marketing efforts. It costs significantly less to engage an existing customer then it does to acquire a new one. Always keep your subscriber lists clean by removing the inactive addresses. Put them in a separate list and market to them differently. The definition of insanity is doing the same thing over and over and expecting different results. If you continually send e-newsletters and promotional offers and they continually ignore them, then you need to readjust your messaging. Diligently work the existing names that are responding and continue to give them the messages that they asked for.

Despite the extra costs, engaging your audience in more relevant communications increases your net profits by an average of 18 times more then broadcast mailings; yet 89% of marketers today still send low value broadcast mailings – Jupiter Research Executive Survey

Segment Your Database. Having a database of thousands or even millions is great, but in order to leverage that amount of data and ensure the most relevant campaigns are sent, you must analyze the data and segment your audience into groups who share common interests. Musical genre, sporting interest, theater shows, gender, geography, and age are just a few examples of ways to segment your

database. This is the first step towards shaping your marketing effectiveness so that each dialogue with your audience continues to become more targeted and thus more relevant. The more tailored an email marketing experience your customer receives, the more trust they will have in you and your brand. This is why segmentation is the key to building a long lasting relationship with your customers, and thus why blasting an entire database on the off chance of getting a few extra tickets sold is working against your long term success.

Relevant Email Delivers More Revenue then Broadcast Email

Source: JupiterResearch Executive Survey

Send Relevant Messages. A customer who believes that a marketer understands and is in tune with their interests quickly becomes a loyal customer who will listen and read what you communicate to them. The opposite is true as well. If every communication a customer receives from you does not mirror their interests, they will quickly become disloyal and either tune out, opt out, or worse, spread negative word of mouth. It's believed that a customer with a bad experience tells 300 people, while a customer with a positive experience might tell 3. This is why it's extremely important to create positive experiences with our customers through relevant content in our email messaging. Now, with the use of marketing technology, sending relevant messaging has never been easier. Later, we'll look at using dynamic content to achieve the goal of sending personalized, segmented, and relevant content.

Integrate Your Data. In order to segment accurately and send the most relevant messages, you need a true 360 degree view of your customer. Integrating data you've collected across multiple channels allows marketers greater insight into their customer's interests and preferences. The ability to integrate direct mail response, Customer Relationship Management (CRM) activity and history, landing page hits, email campaign response, search engine queries, and website behavior gives marketers the ability to initiate, manage, and promote highly relevant campaigns to anticipate the customer's next move.

E-mail delivered an ROI of over $57 for every dollar spent on the channel in 2005, according to the Direct Marketing Association. Consumers who buy products advertised in e-mail spend 138 percent more than typical non e-mail readers, according to a Forrester report released this year.

Conclusion. The fundamentals of building a solid ground for your email marketing practice are simple and easy. Keep the customer top of mind at all times. It's not about what you want to say or sell, it's about what the customer wants to hear. It's a common mistake that marketers make; point and click and at the touch of a button you can blast your database with your upcoming event. Just remember that's a short sited goal. Think long term and treat your customers like they are valued. You'll be doing yourself and your customers a favor by building trust and loyalty through your email marketing efforts.