

A FOCUS ON DIRECT MARKETING IN GOLF:
COST-EFFECTIVE NOT AS IMPORTANT AS REVENUE-EFFECTIVE

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Putting the right message in front of the right person at the right time is a (if not THE) critical goal of contemporary marketers.

The emergence of email marketing has changed the order of priority in the arsenal of tools in the hands of advertisers. We live in a data cloud… and businesses have unprecedented access to customer data and their online behavior if they know where to look… or who to believe. Despite the increased availability of data, many seasoned professionals still struggle to use the information to unlock the code of effective marketing in a way that minimizes investment and maximizes results. Cost-effective marketing is only meaningful when it translates into effective marketing. Identifying the best target profile and reaching quality prospects still challenges even the savviest marketers. Data is one thing… using it to maximum effect is another.

Increasingly, the big questions revolve around content, environment, messaging, targeting and effective delivery; what will customers and prospects engage with most and how do I find those customers who will be responsive to my messages? Which contacts in my "house list" will bear the most fruit? Where are the prospects that are most likely to buy at the level of my best customers? These are many of the key questions that have kept the NGF awake at night since 2010… and inspired us to grow our knowledge and acquire tools to help golf-related businesses compete more effectively in this space.

Companies have rebalanced their media budgets to add more weight to direct email marketing and web campaigns. Sometimes this means redirecting spending away from traditional media, including print, television and radio. NGF research has consistently shown that golf's core demographic still enjoys (and many prefer) receiving certain golf content via their favorite golf magazines. We can debate whether the pendulum swung too far, too soon to digital marketing in golf, but there's no denying that digital marketing's affordability, transparency and tracking is attractive to companies of all sizes and budgets. At a very high level, it has to be considered (as cynical as it may sound) that the early movement of magazine advertising budgets over to digital was driven by something other than rational thinking. Advertising/media agencies and consultants could be accused of recommending digital media over print before-its-time, simply because the use of digital made them appear more innovative in their thinking on media planning. It is logical and natural that they would be concerned about appearing like dinosaurs for recommending magazines, even though evidence was available that golfers still loved their magazines!

Direct mail is a medium that has lost favor due to the cost (and perhaps environmental sensitivity toward the overuse of paper) relative to digital choices. However, there is still a place for a card, catalog or mailer in your customers' USPS box. The Direct Marketing Association (DMA) reports that "snail mail" remains the most response-driven form of direct marketing.

Still, the DMA identifies email as the most effective channel for customer retention. Email helps companies and courses establish continuous relationships with consumers who have a natural affinity for a particular brand, product or service. But, of course, email generates leads and sells as well. According to Hubspot, email marketing to qualified contacts generates 50% more sales-ready leads at roughly one-third of the cost compared to un-nurtured leads.

While social media has an important role in building and maintaining customer relationships, a recent study by McKinsey and Company concluded that email is 40 times better at acquiring new customers than Facebook and Twitter.

It's crucial then that golf-related businesses utilize trustworthy email lists and implement a communication program that resonates with golfers. For instance, emails containing special offers, discounts or vouchers remain the most popular among consumers and are the No. 2 driver of mobile browsing, according to Direct Marketing News.com. Likewise, nearly half of email marketers find that email campaigns sent between 10 a.m. and 2 p.m. deliver the highest ROI.

COMPANIES ARE ATTRIBUTING 23 PERCENT OF THEIR TOTAL SALES (ON AVERAGE) TO EMAIL MARKETING–ECONSULTANCY

With all its inherent advantages, consider that 44% of email communication is never opened and 91% of consumers have unsubscribed from lists they previously opted into, according to the Chief Marketing Officer Council. Marketing professionals that work with companies with proprietary consumption and geo-targeting data sets (like NGF) enjoy a meaningful advantage in email marketing. According to the DMA, geo-targeted marketing grew by more than 45% in 2015. Combine the strategic selection of targets (they can be consumers or golf course decision-makers like GMs, Pros or Superintendents) with the highest quality lists and you'll maximize the return on investment.

To further complement NGF's marketing services, NGF has recently deployed a new product–GolfMAP(Market Analysis Platform) –that provides granular data on things such as golfer population, golfing households, rounds and greens fees for a specific U.S. market or trade area. NGF and its clients utilize the platform to identify the optimal markets or neighborhoods (U.S. Census Block Groups) based on the presence of the target customer profile (affluence, concentration of rounds or golfers, etc.). Businesses can then utilize NGF (or other outside lists) to reach people within the highest scoring "fishing holes."

Please see NGF's Five Tips to Successful Email Marketing that follow. If you need further assistance with your marketing efforts, please contact Kevin McLendon at kmclendon@ngf.org.

NGF'S FIVE TIPS TO SUCCESFUL EMAIL MARKETING - ART & SCIENCE

1) With subject lines… short is sweet!
   - Limit your subject line length to less than 50 characters.
   - Don't always sell. Find ways to be creative & catchy to maximize open rates.

2) Use pre-header text (the small font text that sits at the top of the email body)
   - Secondary to the subject line, the pre-header text is often visible before a recipient decides whether or not to open an email.
   - Use the pre-header text to introduce your offer or state something you didn't have room to fit in your subject line.
   - Pre-header text helps balance your image to text ratio and is helpful to avoiding spam filters.

3) **Make your creative POP!**
   - Get on a "word diet" – include some text…but images, bullets & buttons should be your mainstays.
   - Answer the "what's in it for me?" question in the top part of your email.
   - Use a responsive email template to have your email adapt to different viewing devices (desktop, mobile, etc.).
   - Invest $500-$1,000 to have a professional designer develop your HTML creative. It's well worth the cost.

4) **Understand your email metrics**
   - Open rates primarily gauge subject line appeal and the "activeness" of the email list.
   - Click-to-open rates measure the appeal of your creative and offer – aim for 20%+ on customer acquisition efforts.
   - Keep your spam/complaint rate below 0.30% to maintain solid relationships with Internet Service Providers (ISPs).

5) **Flock to quality**
   - Avoid "buying" email lists (unless you want unresponsive emails that bounce and cause headaches).
   - Instead, "rent" email campaigns with top-quality list providers that can deliver meaningful and measurable customer acquisition results.
   - Utilize a leading email service provider with tools to help you succeed

Always utilize a Mailing Health tool before pressing send. See example below:

