

The Art and Science of Choosing Net Marketing Channels

By Gary Angel

Instead of trying every channel under the sun, most businesses will try to assess whether a marketing channel fits their particular business, clients and culture. In particular, it makes sense to focus on whether you believe your business has any natural advantages -- or disadvantages -- with regard to a given channel.

As the online space expands and becomes ever more complex, Web marketers are finding that they have to cherry-pick among the many possible technology marketing channels available to be exploited.

Online marketing has evolved from links to banners to search engines. While search engines are by far the dominant online lead-gen channel for most businesses, many new channels have emerged that are worth considering, and may become as, or more, important than search.

Techno-channels like podcasting, blogging, RSS, community and social [networking](#) spaces, may be too important to ignore. That's a painful reality when most marketers are still struggling to find a good balance between pay-per-click (PPC) buys and search engine optimization (SEO).

Unless you're backed by nearly unlimited marketing dollars, you're going to have to make decisions about how and where to focus your efforts.

Assembling the Puzzle Pieces

How can you decide? It probably won't be easy, but with a combination of strategic thinking and good measurement discipline, you can build a reasonable approach to addressing a fractured world!

Instead of trying every channel under the sun, most businesses will try to assess whether a marketing channel fits their particular business, clients and culture.

In particular, it makes sense to focus on whether you believe your business has any natural advantages -- or disadvantages -- with regard to a given channel.

If you know your business has some real advantage in a particular channel, then it makes a lot more sense to invest the time and energy to really learn how to do it right.

Here's a quick matrix showing potential key advantages for various online marketing channels:

Channel	Potential Advantage 1	Potential Advantage 2	Potential Advantage 3
----------------	------------------------------	------------------------------	------------------------------

SEO	Is your site content rich? Content generally gets rewarded by the engines these days. So if your site has lots of preexisting content, it's quite a bit easier to optimize it than to create new content.	Do you have unique Content? Stuff that no one else has and that is likely to be of interest to searchers makes it a heckuva lot easier to out optimize the competition.	Do you have a built-in relationship with an important site? Link relationships with a powerhouse site are a considerable SEO advantage.
PPC	Do visitors know they need your product? If visitors don't know they need what you sell, they aren't going to search for it. You can't launch a category on PPC.	Do you have a readily communicable advantage? PPC ads are short -- obvious advantages, like price, make for an easier sell.	Will you get higher value from a lead than the competition? The more you can afford to pay per click, the more volume you can drive from PPC. With high margins, you can often dominate a PPC segment.
Banners	Are there sites with highly targeted demographics or content for your business and products? If a small number of sites provide just the right audience, advertising on those sites can be highly effective.	Is your marketing approach brand- and creative-based? Direct response organizations often do better with search -- traditional marketing organizations have greater affinity for banner advertising.	
Social Networking	Does your demographic hang out here? If yes, this is likely to be very important. If no, it won't even be on your radar.	Is your corporate culture appropriate? Trying to fake it is a good way to embarrass yourself. Can you be sensitive to the appropriate messaging and mores?	Is your product a commodity? That isn't good. Strongly differentiated products will fare better in this channel where viral messaging is so important. If your product builds champions, this is a channel to explore.
RSS	By far, the most important consideration is whether you actually generate fresh,		

	distinctive content regularly. If you don't, RSS isn't appropriate.		
Blogging	Like RSS, you must have fresh content on a regular basis to make blogging matter.	Good writers -- and not just any kind of good writer. The blog is less essay than dialog. Many good bloggers can't write a reasonable article, and many otherwise good essayists can't write a popular blog.	Good connections -- or the moxie to make them. You'll get noticed much faster and do much better if you have, or can make, the right connections.

The matrix above is meant to guide -- not strangle -- your thinking. Nor is it meant to be complete. For most of these channels, there are many other significant factors that can help you build a competitive advantage. The matrix is meant to give a sense of how you can think about a channel's potential.

No matter how good or comprehensive your strategic thinking is, it isn't enough to guarantee that you'll be right. The military has a maxim -- "No battle plan survives contact with the enemy" -- and no business strategy survives contact with the real world.

That's why the second part of this story is vitally important: building measurement discipline into your channel evaluation.

Assessing Lead Qualification By Channel

Using Web [analytics](#), you can assess the average qualification of leads by channel. There are two powerful reasons why you should. By knowing the average lead qualification, you have a means of assessing how fruitful a channel is likely to be. The stronger the overall qualification in a channel, the more likely it is to scale. Conversely, if you know that the average qualification from a channel is significantly lower than your site average or from competing channels, this may be telling you that you've already overscaled the channel.

How do you measure lead qualification by channel? Most Web analytic tools will let you do this. There are two basic mechanisms for understanding how visitors came to your site: a campaign code you attached to directed traffic (PPC, banners and vanity URLs) and the referring site attached to a session (organic search engine traffic, linkages and partner traffic). These can be used to segment most channel traffic.

To understand average lead qualification, measure -- by rate -- how many visitors from each channel you're evaluating actually reach key milestones on your site. Typically, at least one of these milestones is conversion. However, it's useful to look at broader measures of interest as well.

These "conversion proxies" can provide you with a richer understanding of how visitors from a channel are actually engaging with your site. Measures of engagement range from simple behavioral cues like "visited x pages" or "returned to the site" to more advanced concepts like "reached one of our convincer or closer" pages, or "downloaded a tool" or "interacted with the site."

These cross-tabulations of engagement by channel are readily obtainable from most Web measurement solutions -- and, along with actual channel return on investment, should form the basic KPI (key performance indicator) set used to evaluate channel performance.

You might be tempted to think that ROI measurement, on its own, should be sufficient. After all, if a channel has a good ROI, who cares how qualified the average lead is? The problem with ROI measurement is that strong ROIs can sometimes be driven by a small portion of a much larger program -- or by very cheap initial costs. Either way, they may be poor indicators of how scalable a channel actually is.

Coupling channel measurement with good strategic thinking can give you a powerful one-two punch for exploiting new techno-marketing channels. To get where you want to go in this world, it helps to start in the right place -- and it helps to keep your bus on the road.

Understanding your potential competitive advantages by channel, and being disciplined in your channel measurement, can help you do both.