

Why Audience Development Must Come Before Business Development

[Marketing podcast with Jeffrey K. Rohrs](#)

J. Jantsch: Hello. Welcome to another edition of The Duct Tape Marketing Podcast. This is John Jantsch. My guest today is Jeff Rohrs. He is the Vice President of Marketing Insights for ExactTarget, a company that is now part of the salesforce.com empire. He is also the author of "Audience: Marketing in the Age of Subscribers, Fans, and Followers." Jeff, welcome to the show.

Jeff Rohrs: Thank you very much, John. Glad to be here.

J. Jantsch: It just occurred to me that dependent upon when people listen to this, Dreamforce just happened. Was this your first Dreamforce as part of the team?

Jeff Rohrs: It was, yeah. Many of my colleagues have attended because we've been a long time salesforce.com partner, but it was the first one I've ever attended so it felt, as I've told many of my friends, it felt like being a spot of paint in a Monet.

J. Jantsch: You see the tweets and all the stuff that goes on online. It must just be ... I've participated in a couple of Microsoft world partner conferences, but you get the sense this is even more frenetic than that.

Jeff Rohrs: It is a very, very big event. I think all told, paid and free attendees, you're looking at something like 130,000 people. I heard that it increases the size of San Francisco by 15% during the week.

J. Jantsch: I can't imagine trying to get a coffee and a hotdog at a thing like that.

Jeff Rohrs: It's interesting because with salesforce, you've got the expansion of the model from just the sales cloud to the service cloud to the marketing cloud, so there are these interesting, differentiated communities that all have some overlap. Each kind of have the things and tracks that they're interested in.

It literally does turn downtown San Francisco into the conference center. The Moscone Center is where the main expo hall is and all of the main keynotes that you read about in the press, but all the breakouts are in hotels distributed around downtown. It turned San Francisco into its campus, which is a very intriguing thing.

J. Jantsch: So you want to pitch some business, just go hang out in a coffee shop nearby, right?

Jeff Rohrs: Oh yeah. Yeah, I mean there are a ton of people who probably don't pay for the conference but benefit tremendously from just being in the ecosystem.

J. Jantsch: Let's talk about your book, shall we?

Jeff Rohrs: Yeah, let's do it.

J. Jantsch: One of the core statements or themes, I guess, might be, and I'd love to hear you sort of expand on, is the statement that "proprietary audience development is now a core marketing responsibility." That sounds pretty meaty.

Jeff Rohrs: You know it's the ... You probably appreciate this as an author yourself. The more succinct you can get the concept, the more kind of amped and excited about it you feel. Also kind of the more self-evident it appears the more excited.

When I came up with that little statement, I was like, ah, I've got it because I've been around digital marketing almost since its inception. In e-mail marketing with ExactTarget for the last 7 years. Then prior to that many years as a partner and president of an agency.

We're obviously living through the rise of social media. The massive expansion of mobile devices and mobile access and the rise of big data as well. As I've been sifting through those themes and also watching the growth and just the trajectory of content marketing, I kept having this kind of empty feeling. I felt there was something missing in a lot of the conversations I was seeing.

When I began to sit down and write the book I realized ultimately what was missing from this is who is owning development of your audience as a company. What has happened is we have focused very tactically because we've had to. All these different tactics have grown up underneath us, e-mail, Facebook, Twitter, search engine marketing, et cetera, so we've put people on tactics.

Meanwhile there are certain through lines, horizontal responsibility sets that touch everybody in marketing that you want to have your best strategic thinkers on because it's where your value is really created in marketing.

If you think about some of those horizontal through lines, you always want to be thinking about how do I make the sale. That's job number one. Everybody in marketing should be ultimately thinking about how their job contributes to that.

Number two is building the brand. We have people who own brand development and brand management and brand advertising because that makes job number one easier when people can recognize you in the market place and

differentiate you from your competitors and attach emotionality to your name or your logo.

The third piece is really customer service. Social media has amplified that because if you have poor customer service, that's now poor marketing.

J. Jantsch: It's all done publicly now.

Jeff Rohrs: Right. Then the fourth piece is creative and creative now subsumes content marketing. Content marketing becomes this creative expressionist way that you can capture direct audiences, speakers as I call them. You're ultimately creating great visuals, great content, be it video or audio or textual. Things that ultimately are going to attract people. They're magnetic. They're going out in the market place directly. You're not reliant on third parties always.

That fifth piece then is this notion of proprietary audience development and that now audience development is a core marketing responsibility. As you reflect on that stack that I've just laid out you begin to see, wow, audience is the thing that kind of ties it altogether because where does the energy for my business come from if not from consumers and how do I store it if not in audiences.

If you think about traditional paid media, that's exactly the model. We go to third parties who aggregate attention from consumers in the form of audiences, right? Every night ABC, NBC, Fox have an audience. It's been shrinking over the years but it's still this mighty audience that people are willing to pay to reach.

J. Jantsch: That would be true about your daily newspapers still, right?

Jeff Rohrs: Daily newspapers still, right. People pay for that ... I pay for that convenience. I want ... I live in the Cleveland area and I pay for the Cleveland Plain Dealer to be delivered 4 or 5 days a week, they still deliver, because I want that convenience. I'm their audience. I still can respond to paid advertising in the form of print.

We know inherently because advertising and marketing has been so built on that paid model that audiences have value. If we then reflect internally about what we've been doing in our marketing organizations, we don't have anybody in charge of proprietary audience development. The audiences that we and we alone can communicate with.

Sure, we've got a person on e-mail and that person knows, yeah, I want to have a bigger subscriber base. We have people on social media and they know, yeah, I want to have more Facebook fans and Twitter followers.

We don't have anybody who's looking horizontally across all the different places where you can build your own direct audiences saying hey, strategically let's do this in this paid ad with a call to action to get people to subscribe to e-mail.

Or, hey, can we do this over here in this print piece or this particular video we're going to post or kind of our own media on YouTube so that we're getting more YouTube subscribers.

It was that epiphany that really drove home the notion that look we ... It's great to have tactical owners, but now as the dust settles on all these channels, it's time that we look for the things that are at a DNA level in marketing, that our responsibility that touches everything and if they work really well they make everybody else's job a lot easier.

My fundamental belief is that proprietary audience development, building bigger, more engaged, more valuable audiences is one of those foundational elements.

J. Jantsch: That's interesting, but as I listen to you describe that idea of audience development, I think while it was not the original intent would be my guess for a lot of the early-on bloggers, I think some of them really kind of flipped the media model and built their own audiences. Really I think in a lot of cases, that wasn't the original intent. But they delivered so much value that they built larger audiences which they could then monetize.

Jeff Rohrs: You're absolutely right. That's why when I go out and speak the primary audiences who understand what I'm talking about are usually either bloggers who are really kind of hand, elbow, shoulder deep in nurturing and getting value out of these direct audiences they built. Or digital (tape skips 00:09:17) and broadcasters who can tell me at the drop of a hat what their audience is worth.

That's kind of the mentality that I'm hoping to help marketers get because it's not enough to just do this by chance. You can't just ...

J. Jantsch: I think before we go too much farther I'd like you to describe what an audience is because I think that could be ... I can see in the old days particularly people think 'my audience is my customers or my hot list of prospects'. I'm thinking, at least, that you're suggesting it's much broader than that.

Jeff Rohrs: That's a great point, John. I, in the book, break it into 3 different types of primary audiences. Seekers, amplifiers, and joiners.

Seekers are people who look for information or entertainment. They are most commonly known as searchers on google. They are viewers of television with

that remote in their hand seeking entertainment. They are listeners to a radio or this podcast. Basically the seeker doesn't have to have any sort of direct relationship with you. They have just kind of stumbled into, surfed into, browsed into an environment in which either your own content or your paid media or perhaps some earned media is getting [inaudible 00:10:36]. That means there's no button you can push to activate the seekers. You've either [inaudible 00:10:42] media or you've got to come up with a strategy for amplification.

That leads to the second audience, the amplifiers. They're the folks who will take a message or have an experience and share it with their own personal network. They are an audience with an audience. All of us are audiences with audiences now, right? You've got Twitter followers. I've got Twitter followers. We have friends and family on Facebook. We're connected on LinkedIn.

This is an amazing age where the message no longer ends with the audience. That's just the beginning of a possibility of amplification. We used to call that going viral, but now viral is almost kind of an outdated notion because nothing dies on the internet. This stuff circulates around ad infinitum. I don't know if you've seen this phenomenon but I've seen several names on Facebook lately that were actually recycled and people didn't even know it from like 9 months, 2 years ago.

J. Jantsch: I look in my server logs or my analytics logs and I'm always floored by the amount of traffic some of my posts from '08 and '09 get.

Jeff Rohrs: Right. It falls into the right person at the right moment with the right audience. That's the amplifier audience. You've put out that owned media, your blog post, somebody finds that. They don't necessarily ... They're not necessarily a subscriber. They're not necessarily a fan or a follower. They're a seeker. They find that content. They now turn into an amplifier because they decide to tweet it or blog about it and link back to it.

Now that amplification causes other people to become seekers, read it and potentially amplify it back out again. So the seekers and amplifiers are very kind of hand in glove, but again, there's no pushbutton availability there.

The third type of audience, joiners, is really the VIP kind of audience. The ultimate joiner, as you alluded to, is a customer. A customer joins with their wallet. That's what we're all in this for. We're in it to make the sale. But short of that, I want to get that person to be an e-mail subscriber, SMS subscriber, a YouTube subscriber, a Facebook fan, a Twitter follower, an Instagram follower. Whatever's appropriate for them, but in an audience where I have that pushbutton availability to have a greater potential to get my message in front of them when I need to.

When that happens, I am creating an opportunity because I reduce my dependency on paid media because I can go direct to these audiences. Anybody who's been an e-mail marketer for any length of time completely understands this. The amazing ability to push the button and then watch the coffer ring in the sales.

With the rise of social and mobile we have high degree of fragmentation of these audiences and the efficacy of these different channels to produce direct sales is vastly different. But they're not all there for the same purpose.

Some of them exist to again create amplification opportunities.

Some of them are really about engagement to make sure that emotionality and that connection with your brand is created.

At the end of the day, I think if we begin to think and analyze what we're building as assets in marketing and we move our asset mentality away from just owned media and the creative assets, we begin to think of our audiences as assets with real monetary value attached to them. Not just in individual sale but in terms of lifetime customer value.

Now we begin to invest in the right type of activities that are going to generate long term opportunities instead of just short term blips on the balance sheet.

J. Jantsch: I think that that's one of the challenges for ... Every time I hear the ROI of social media argument, I think one of the real challenges is that a lot of people are using social media to create and find seekers, but then they don't have the analytics or the journey or the path or whatever we want to call it, to actually be able to say that person led to these 5 customers. I think that's the real challenge. I think what you're suggesting is you have to build seekers even if, knowing I should say, that 85% of them will never become customers.

Jeff Rohrs: Absolutely. I'm not going to lay blame at the feet of marketers today for that because the technology, the tools that we build, such as others build, have to begin delivering on that promise of the single view of the consumer, right?

Where we can truly pull together multiple data sources across multiple channels to understand that this person on Facebook is this person in e-mail is this person on Twitter. That future is rapidly coming here. In fact, there's some really interesting developments in social advertising that I think are almost kind of a foreshadowing of how important proprietary audience development's going to be.

The one that comes to mind is the Facebook custom audience product. Folks aren't familiar with that. I can take my proprietary subscriber list, e-mail subscriber list, send the e-mail addresses to Facebook who will map those against my Facebook fans. So it's my subscribers, my Facebook fans. Now what that gives you are segments of your fans because you now know these fans aren't e-mail subscribers. These fans are e-mail subscribers and then overall this is the demographic profile of people who are both fans and subscribers.

Where that becomes then very powerful is I can now do very highly targeted Facebook advertising and the first thing I would do, if I were to take advantage of custom audiences, is use Facebook advertising to advertise my e-mail subscription benefits to the fans who aren't e-mail subscribers.

Again, that's a push button audience. At my cadence, I'm not dependent upon whether Facebook's algorithm decides to put something in the news feed. It's my e-mail sending to their inbox and so long as I'm honoring permission and I've got good deliverability, measurements and metrics, it's going to at least get in the inbox and be seen in some capacity.

The hand-in-glove power of e-mail and Facebook in that instance is fascinating because if you don't build those audiences you can't take advantage of that higher form of social media advertising. That's completely new. That's really off the charts and that completely decimates the style load nature of a lot of marketing departments where the social people don't really talk to the e-mail people.

The brand advertising folks have the great cars and the great suits and fashion and they only think about calls to action in the very, very last part of the process, if then.

That's all going to change. That has to change because otherwise you're just going to be leaving way too much opportunity and money on the table.

J. Jantsch: I want to visit another topic. You've thrown out a couple terms, owned media, I think you said earlier, and earned media and at some point you probably mentioned paid. You talk a lot about, in fact, marketers today want to talk about those 3 things as having to all be in play.

I, quite frankly for years, have talked about the need for businesses, marketers to always be thinking advertising PR and referrals. I think that paid and owned is really kind of maybe newer distinctions, but about the same distinction.

Jeff Rohrs: Yeah. There was a great white paper from Altimer Group, Rebecca Lieb and Jeremiah Owyang, over there about a year and a half ago called "The Converged

Media." It was talking about how the lines between paid, owned, and earned are beginning to blur. As I dug into that though, what was very intriguing is I realized people were talking about media paid, owned, and earned as if it was audience. That's a big no-no in my book and a big distinction to draw.

Media/channels, those are the place through which you communicate, right? Those are the channels through which you communicate. It could be television. It could be print. It could be online. It could be Facebook. It could be whatever.

Audiences are the actual recipients of that message through a particular channel. This is communication 101. In fact, in the book I kind of provide a few diagrams that might send people into some sort of epileptic shock if they took communication 101 and had to take a test and identify little parts on those goofy graphics.

But that's an important distinction to draw because paid media is literally tangible media that I can pay for. I can pay for a television commercial. I can pay for a printout. I can pay for a banner ad. Owned media truly is owned, right? It's stuff that I can actually build or create whether it's a mobile app, a website, a white paper, e-book, et cetera.

But earned media is not really media. It's a process in which somebody, a consumer, an audience member, decides to communicate a message, be it positive or negative about your brand to their own audience. It's the process whereby it comes through some sort of media, some channel, to them and then they take the extra step to then amplify it out to their audience.

So I think it's important for us to keep media and audience separate because otherwise we think we're doing audience development when we're actually doing content marketing or we're actually doing advertising.

I like to say that content marketing and proprietary audience development are different sides of the exact same coin. If you do not have an audience, what good is your content? It's a tree falling in the forest, nobody hears it. If your audience doesn't have content, what do they have to engage with?

There's no reason for follow you or fan you or like you. You're just selling to them and that's a problem.

J. Jantsch: It's funny because as people, 4 or 5 years ago as people were coming to me when I would talk and they'd say should I be on Facebook or linked in, I would say do you have a blog because again, it was that idea of oh, I need to build this big following. Now what? I think there is a bit of a hierarchy to that. That they do ... You're right. They absolutely have to go hand in hand.

Jeff Rohrs: I think the only adjustment I'd make to that advice now, 5 years down the line is the question I'd ask maybe before that is, where are your customers or perspective customers? Are they ... Are you the type of product that they've got to go google and search? Are you the type of product where it's an impulse buy, highly influenced by friends and family.

Those are the types of questions that can lead you to interesting places and in the book I showcase a few different companies. One who builds, built their business on Facebook and then backed their way into e-mail and into Twitter.

Then you've got, a famous case study that a lot of people cited, Orabrush, who built their presence on YouTube and have hundreds of thousands of subscribers there. That helped them get opportunities to sell through Walmart and other types of retailers that they were never getting previously.

Here kind of in my own backyard, one of the case studies that I mentioned in the book is Melt Bar and Grilled which is a gourmet grilled cheese restaurant that's been featured on the Food Network and is just a few blocks from me. There, they've been able to expand from 1 to 5 locations on kind of a combined back of e-mail and Facebook because e-mail's the one that drives the feet into the store. Facebook is the one that drives awareness of the brand into new markets.

I just think you look at where are your consumers? Where do they want to hook up with you.

J. Jantsch: You have, and we're running out of time so we do need to wrap up today. You have ... I was looking at the site that you built, a companion site for the book, and one of my favorite things that you have there that maybe you can, first off tell people about the site, but the growth swipe cloud. The audience growth swipe clouds are a lot of fun.

Jeff Rohrs: Our team had a really great idea about a year back. We added a gentleman by the name of Chad White who's known quite widely and respected in e-mail circles. He is really one of the foremost retail e-mail experts out there. He joined our team and had this idea for what he called the swipe file. It would just be a collection of ideas to inspire e-mail designers that you could literally swipe. Here's a great idea for this company, let's take this idea.

We launched that last year and it really took off. A lot of folks loved it. It's gained a lot of followers on Pinterest, almost being a case study itself of audience development. We decided, you know what, we're going to start that with the audience growth swipe file as well. What we're trying to collectively do and if folks see examples, they're welcome to send them to me via Twitter @JKRohrs, just include my handle.

We're taking pictures of examples of things where companies are doing great jobs of acquiring audiences through different channels. I'm sitting here looking at a cup from Wendy's. It has a QR code and a campaign to enter a contest and that gets me into an e-mail subscriber form, other types of things.

We're really trying to capture all these different physical and virtual ways to build audiences across a variety of channels. Not to say, hey, this is the way you absolutely should do it, but rather, again to inspire people to find the ideas that are worthy of swiping for them because they're [inaudible 00:24:50] untapped potential as they look to build their direct audiences over time.

J. Jantsch: Tell us where folks can ... Obviously the book can be purchased anywhere, but tell us what's the URL for the site.

Jeff Rohrs: The URL for the site is audiencepro.com, and the resources section has a link to our swipe file as well as Facebook page, Twitter, and a variety of other resources that you can use and download.

Again, I'm just @JKRohrs on Twitter and I'll extend the offer to your listeners as I have with other pod casts. If you happen to buy and review Audience on amazon, just tweet me the screen shot of the review, positive or otherwise. I don't care.

I've got a remaining stash here of about 17 books that I'll autograph one for you and also a limited edition Audience fan scarf. I'm a big fan of world football and the English Premiere League so one of the things that I got to do was have about 50 of these scarves made. If you've ever been to a soccer match you know the fans hold them up over their heads and there's that kind of emotionality that led me to think about writing this book.

Again, I would love to get more reviews out there as people get a chance to get the book in their hands and really do appreciate the time today, John.

J. Jantsch: My pleasure. Always great chatting with you and hopefully we'll see you up there in Indianapolis someday soon.

Jeff Rohrs: Sounds good.

J. Jantsch: Take care, Jeff.