



Broadband Messaging & Permission Based Marketing

Building A Successful Marketing And Subscriber Information System Using Messaging

By Bruce Bahlmann, CEO ■ *Birds-Eye Network Services*

As a provider of broadband services, how do you market changes or additions to existing subscribers? When I think about how much money is spent on marketing new products and services to existing subscribers, a voice inside me keeps asking why? I'm not talking about finding

ever, building service infrastructure and adding new services to it is one thing. Attracting and keeping actual subscribers, as well as educating them about the availability of new services, is something all together different.

Last year one of the largest telecommunications providers spent over \$1

service into an existing customer's monthly bill. Another mechanism is to go door to door and sell your new services to certain existing customers. If all else fails, there is always the telephone or email but at that point you have generally committed quite a bit of expense in up selling.

Is this heaven? No, it's Iowa!

The reality of various advertising and sales campaigns is that successes are generally measured by single digit increases in sales or take rates. For example, a successful advertising campaign boasts only about a 2-5% success rate. Interestingly, companies will often attempt to up sell subscribers additional/other services using multiple means to reach out to these individuals. Problem is, they don't stop there. This is a regular (often seasonal) occurrence. For example, "snow birds" represent seasonal subscribers as they stay summers in northern US states and then relocate to Florida or Arizona for the winter. Like snow birds, subscribers will also flock to the best deal so it is up to service provider marketing to target

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new subscribers, because certainly that money is necessary. I am talking about the money spent attempting to market services to existing customers. In this article, I will review the challenge that providers of broadband services face in marketing their wares to existing subscribers. I will also convey one possible strategy that providers might explore as they continue on their journey towards new fields of revenue opportunities.

billion on advertising alone. This advertising included various radio, print, and television spots. What does not get attention among the Wall Street types is how well providers of broadband services effectively market and sell new/additional services to existing subscribers. These costs are generally hidden operational and sales expenses.

"Providers of broadband services sit atop a powerhouse information network—a communicator for speaking to the very individuals responsible for their survival."

If you build it they will come.

The telecommunications industry in the US has spent billions of dollars upgrading their infrastructure to support broadband services. The second round of spending to expand these same lines has just begun and promises to deliver increasingly more bandwidth to homes and businesses while supporting an increasing array of new services. How-

For example, one mechanism to attract subscribers to expand their subscribed services is to insert a coupon for a new

those individuals most likely to change their mind or perhaps subscribe to new services. Essentially, marketing and sales

represents a never-ending process.

The other reality of marketing and advertising is that once you buy it, advertising runs its course and then it's done. Meaning, if you want to perform it again, the cost and effort to set it up must also be repeated. While it generally does cost less to repeat the same advertisement over and over, the reality is that each advertisement attempts to capture the interest and mood of potential subscribers with the goal to trigger a change. Essentially, marketing and sales attempts to get people who are not thirsty come to the well to drink.

"The answer lies in broadband messaging."

Ease his pain.

Providers of broadband services sit atop a powerhouse information network—a communicator for speaking to the very individuals responsible for their survival. Problem is few providers have really tapped into the actual power that broadband connectivity with their subscribers enables. Some notable attempts include the infamous portal, bulk or mail-merged email to subscribers, or even pop-ups generated by various forms of web-proxies. Other than the portal, all these attempts fail miserably at generating consistently desirable responses from subscribers. As a result, marketing and sales to existing subscribers has been associated with some pretty negative terms such as annoyance, SPAM, intrusion of privacy, junk mail, or just a waste of time. But how can one effectively market and sell services to existing subscribers without being hung up on or deleted?

The answer lies in broadband messaging. The basis of broadband messaging is very simple. Provide people something useful that they can rely on to obtain important messages. I'm not talking about some continuous commercial for everything under the sun that you sell. Rather, I'm talking about

critical information that everyday people want to know. An example of this critical information may be a brief message from the President of your country to its citizens. While that very message may be similarly broadcasted over the television or radio, customers with messaging can be similarly advised on their computer and/or pointed to where they can go for further information if desired.

able. Other critical messages may be related to important service announcements such as our email server is currently down, but will be back in service at a stated time.

Providing useful information to broadband subscribers without any threat that the medium is exploited for advertising is pretty compelling. With each critical message accessed,

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“With each critical message accessed, subscribers are encouraged to “opt-in” to other critical message services...”

subscribers are encouraged to “opt-in” to other critical message services—for example traffic alerts, Amber alerts, weather alerts, city or local government alerts, as well as your companies new offerings! Other non-critical messages may also be opted-in including school closings, regional or local event announcements, state or local government policy news, US senate or house progress on specific legislation, special offers, new service free trials, contests,

marketing? It is a system of many different messaging sources (or streams) brought together into a type of messaging switchboard. From this messaging switchboard, broadband subscribers can plug-in (opt-in) to any one (or more) of many different messaging streams. Each of these streams can be individually managed (“filtered” and “routed”) at the server or by client side enabling broadband subscribers to easily trim large numbers of messages down



paid/free surveys, etc. The array of information choices is there for the taking, but today, broadband subscribers have to go find it rather than enlist (opt-in) for the content to come directly to them.

What’s in it for me?

Upon this basic framework of critical and customized informative messages, lies the significant carrot for broadband service providers. Essentially, broadband service providers sit atop the potential to become the largest permission based marketing system the world has ever known. What is permission-based

to a very consumable and “manageable” number. The result of such a messaging system is highly sought after presence for the broadband service provider in the eyes of their subscribers.

The way I see it, broadband messaging is on the same lane to the “information highway” that all broadband service providers need to be on. It is not a matter of value-add, but survival for all broadband service providers today as they struggle with the notion of “Am I a dumb pipe or am I an information service.” While you struggle to convince subscribers to adopt your new service offerings, your competition could be

getting de-regulated in route to increasing their presence in the lives and businesses of their subscribers.

People will come. Yes indeed, people will definitely come.

The beauty of broadband messaging is that it continually encourages subscribers to opt-in to an increasingly array of news brought to their electronic doorstep. The convenience of such a service can be compared to that of your daily newspaper. Except this newspaper is completely electronic, allows an a la carte selection of only the news you want in the format or to the electronic end point you want it delivered.

It also provides the much needed communications link to subscribers that most broadband providers seek. Without this link, your only communications with your subscribers may be your monthly billing cycle. If that is it, your fields of revenue opportunity may hinge on your ability to keep your customers happy when all they see of you is when they write out the bills at the end of the month. ■

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