

## Impact of Covid on Lead Gen Programs

SOME BRANDS ARE ACHIEVING SURPRISING RESULTS

### President's Note

The pandemic hit the media industry hard. As we have observed in earlier newsletters, advertising revenue has been cut in half for many brands and live events stopped for more than a year. As marketers reallocated event dollars into other budgets, the pause in trade shows resulted in double-digit increases in digital advertising for some clients. These reallocated dollars also resulted in astounding success in lead generation programs (webinars, white papers, ebooks, etc.) for clients able to deliver what the market wanted.



Dennis Connaughton, our General Manager, thinks that the remarkable upsurge in lead generation programs will stay with us for some time, as marketers realize they can achieve many of the benefits of trade show attendance at a fraction of the cost. He wrote the following article to share what we have been learning. His ideas have received a great deal of attention both here and in Europe. I think it's worth reading and hope you find it interesting.

The last 18 months of the COVID-shaped advertising environment has actually accelerated change that was already taking place in the ad market. For example, according to MediaRadar (MR), the more than 1,400 B2B magazines that they track produced 11% fewer total ad pages in 2019 than they did in 2018. This was long before COVID became a household word. Fact is, print advertising has been in decline in the B2B segment for the last half dozen years, some categories longer, and the more recent COVID challenge has simply pushed publications to ad page counts few would have believed possible.

However, the COVID-related impact across all areas of marketing have produced some monetary benefit to certain digital products, specifically those related to lead generation. Due to travel and crowd restrictions put in place at the start of the pandemic, companies were forced to turn their sales forces into professional Zoomers and eliminate trade shows altogether from their marketing mix. These two events drove the need for qualified sales leads sky high and publishers who had quality lead gen products have enjoyed a sales boom. One of our clients is a perfect case study on this situation. When we started representing them in 2015, we sold roughly 60 webinars, a number considered at the upper limit of demand and their production capacity at the time. This year—2021—we will have sold over twice as many webinars for that client, a number we now consider the maximum due to response / performance considerations. Also, greatly increased success with white papers, ebooks, and other lead gen products have led to our best revenue year ever with that client.

We believe there will be a temptation for publishers to consider the 2020-2021 period as a one-time-only situation which will soon evaporate as customers gradually return to pre-COVID practices. We disagree with this thinking for three reasons.

- First, marketers have learned, forcibly to be sure, that there are far, far more efficient means to generate leads for a sales force than to create a very expensive, very time-consuming year-long trade show caravan. And increased show expenses apparently await. Just two weeks ago an advertiser bitterly complained to one of our sellers at a trade show that she just received an additional \$14,000 shipping upcharge for an exhibit that was sent on a

Boston to Philadelphia round trip. And it wasn't an enormous exhibit.

- Second, trade shows may soon return but trade show attendees may not. We know COVID-related concerns still affect how people work and plan. Moreover, we saw that the trade show mentioned above attracted only one-third the number of visitors it did in the years before COVID. Same show, same city/location, one-third the visitors. We don't believe that people will have spent the better part of two years avoiding all physically compromising situations and then suddenly rush out to a trade show to stand shoulder to shoulder with 10,000 or more strangers. In our view, trade show attendance will return very gradually, likely over years. Marketers will have to find those lost attendees elsewhere—through webinars, white papers, and other proven media devices.
- Third, corporate learning is slow but so is corporate forgetfulness. No sales manager ever born would have had the nerve to cancel all trade show participation on the unproven belief that there is a better, more efficient way to produce leads for the sales force. But the entire universe of sales managers was forced into that experience. Not just for six months. It will be closer to two years for most and in that time, they discovered and created new strategies and tactics that worked. For example, we produced some webinars this past year that had over 1,200 registrants for a tiny fraction of the time and cost those companies would have spent for similar results at a trade show. That kind of success isn't easily forgotten.

**Dennis Connaughton**  
General Manager,  
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## Look Before You Leap – Don't Lose A Fortune

by Jim Elliott

Recently, we have been approached by people with exciting ideas for new media opportunities. They have identified an audience they believe will be interested in their new medium and they want our consulting company to evaluate the advertising potential for their project.

These publishers have the right idea: determine demand through research. However, some want to jump into agency research too soon. These publishers usually know something about the target audience—they may be a member of it—so they just assume that others in that audience will engage with their idea. If they do any audience research at all, they are looking to support their action bias; they want to start now, and because the last thing they want to hear is bad news, they either don't look for it or don't want to hear it.

We strongly recommend delaying research into advertising potential until the vision is fleshed out and actual prototypes are created so meaningful research can be done to increase the likelihood that an audience of sufficient size and composition can be attracted to the new medium.

Jack Semler, CEO of Readex Research, urges caution at this point. He observes that many potential consumers will "like" an idea but later

will not spend their own time and money actually consuming it, especially if it is not executed precisely as they envisioned it. There may be difficulties in finding representative samples of the intended audience that can be reached through lists or panels. It is crucial to be sure the right people are being queried.

We recommend investing sufficient time and resources to uncover as many potential pitfalls as possible through audience research before taking next steps. The worst thing that can happen is for the publisher to hear an enthusiastic "YES" when respondents are really saying "maybe" or "yes, but."

Armed with a prototype and compelling audience research, the publisher will have a much stronger chance of successfully learning what advertiser and agency people will really support. I'm a former media director and know how media are evaluated. The general manager of my company ran Chevrolet Trucks at an ad agency. Half of my staff came out of ad agencies. We know this world inside and out, and our skills are still sharp because we now sell to these people every day.

Publishers take informed risks because of potentially great rewards. Without the right research done in the right order, the chance of catastrophic failure is magnified.



Don't miss the recorded FIPP Insider webinar—*Managing the Sales Force During the Rebound*.

Jim Elliott and John French interviewed these media and sales leaders about getting back to business:

- Kate Spellman, CMO, Questex
- Simon Leslie, Co-Founder & CEO, Ink Global
- Steve Grossman, President, Steve Grossman & Associates

All three webinars can be found here —  
<https://bit.ly/39NIZDI>