

CONSULTING

So you want to be a consultant? Here's the lowdown

By Jerry Bernhart

YOU'VE DECIDED to take the plunge and start a direct marketing consulting practice. That decision might have been the result of months of deep soul-searching and sagacious advice from those you know and trust. Or you might be here unexpectedly because you lost your last job and you're having second thoughts about returning to corporate life.

For those who dream about being your own boss, this article is for you. I write this because I've been there, done that, worn the T-shirt. Eighteen years ago I chucked it all to become an independent solo recruiter in direct marketing and I've been Chief Cook and Bottle Washer ever since.

This article is not about the benefits of going it alone: the freedom to work whenever you want, no hiring headaches, no tedious commute, etc. Nor will I discuss the pitfalls: no steady paycheck, no employer-provided benefits, slow-paying clients, etc. We all know the risks and rewards.

Rather, this article will focus on some of the key traits and qualities you must have in order to achieve success as an independent direct marketing consultant.

In my work as an executive recruiter I've watched many direct marketers take the brave leap into "solopreneurship," and it has been my experience that they tend to fall into one of two groups.

The first includes those who try and fail, usually within 12 months. Others will defy

the odds and succeed as long-term consultants. A very select few will go on to enjoy a level of success they could have only dreamed about as a salaried staffer.

So, what makes some succeed and others fail?

It takes many special characteristics to be successful on your own. Here are a few.

Give it everything you've got. The most successful entrepreneurs dream big and have an intense passion to succeed. Launching an independent consulting business should be a 24/7 effort, not something to dabble with while you're looking for another job.

Noted direct marketing consultant Ruth Stevens, who started her own consulting practice in 2000 after holding senior positions with several direct marketing corporate giants, says you need to give it at least two years.

"You're spending the first six months figuring out your value proposition and how to perform your work effectively," Ms. Stevens said. "Then you spend a year building your business. It's not until then that you can hope to receive repeat business."

Never stop marketing. One of the most important hats you'll wear as a one-man band is chief marketing officer. You need

to build a value proposition and create a brand. Create a marketing plan and set aside time every week to execute on that plan. Networking is key. Make yourself visible. Go to conferences, write articles, give presentations. I typically set aside "off hours" to do my marketing, allowing me to focus on my clients during those all-important business hours from 8 to 5.

Relationship development/communication skills. The importance of effective communication cannot be overstated. Your ability to effectively influence others through speaking and writing will greatly increase your chances of success. Francey Smith spent 30 years in DM on both the client and services side before becoming a consultant in 1998.

"I haven't gotten any business that did not come from a business or personal referral," Ms. Smith said. "You have to know how to reach out to people. You can't assume they will find you."

Ability to work alone. Being a chief home officer certainly has its share of perks, but isolation is also a major consultant-killer. How do you avoid the isolation blues? One way is to establish a daily plan. That will help you stay focused all day long. I came up with great way to avoid lonely thoughts: Keep extremely busy and you won't have time to think them.

Make a business plan. You wouldn't interview for a job without a resume, would you? A business plan is like a resume for your proposed business. While often used

to explain and illustrate your vision to others, the process of developing a business plan will require you to clarify what it is you want to accomplish and exactly how you're going to get there.

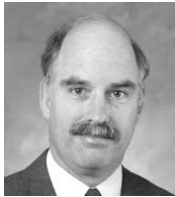
Know your strengths and weaknesses. Stick with the stuff you're good at and outsource the rest. Do not let your ego get in the way. Know when you need to learn new skills or take other steps to improve your business.

Time management. To be a successful consultant, you need to view yourself as a business owner. You must be disciplined enough to take consistent action on the critical aspects of your work and focus on those tasks that will drive revenue. Ms. Stevens offers this advice:

"I remember spending many hours meeting with other consultants to discuss collaborating on projects, but none of those meetings ever created any business. Everyone wanted to receive business but no one wanted to refer it. Don't depend on others to do what you need to do in order to build your own brand and value proposition."

Attitude. Perhaps the most important attribute of them all. German author Johann Wolfgang von Goethe said it well: "Whatever you can do, or dream you can, begin it. Boldness has genius, power and magic in it." ■

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INTERNET MARKETING

Soon: Spam in every medium?

By Ben Perry

LIKE MANY of you, every morning I sit in traffic for an hour on my way to work. And while the weather, accidents and construction detours may vary, there's one thing a car-bound commuter can always count on: radio ads. During that daily drive time, I am literally bombarded by ads, as I'm sure you are as well. However, being a marketer for a living compels me to actually listen to them.

Recently I was struck by one ad in particular. It was just a guy talking, and the obvious point of it was to get people to go to the Web site. During the 30-second spot, the URL must have been repeated ten times. And it wasn't a company



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you've likely heard of. In fact, the URL wasn't even a company name. Rather, it was a phrase that precisely described the value proposition of the site, such as www.getatotalyfreeipod.com (I've changed the URL to protect the guilty).

From the low-rent voiceover, to the excessive repetition of the URL, to the domain name, the whole radio ad was, well, spammy. Not surprisingly, it turned out to be one of those affiliate marketing sites that

promise a fancy gizmo in exchange for donating your personal information to more companies than anyone should. Voila! My first encounter with radio spam.

It's hardly news anymore that Google plans to take its paid search platform and apply it to any form of advertising it can think of. (Personally, I can't wait to bid on those tax-top ads for cabs that run through affluent areas during rush hour.)

The bottom line is that as Google makes it increasingly easy to buy ads in various mediums, these capabilities will quickly filter down to the spammers, affiliates and other digital bounty hunters.

Aside from the annoyance of all those spammy ads, the other main effect of all those new advertisers is that prices will be driven up. Remember when paid search was cheap? That was because relatively few folks were doing it and that it had to prove itself as a medium.

Radio, print and television are known entities; consequently, I expect that the ramp to high prices will be much steeper.

As auction models are applied to other forms of advertising, I would encourage you to become an early adopter and get in early before the spam crowd reaches critical mass. ■

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WEB ANALYTICS

3 mistakes with Web analytics

By Eric T. Peterson

FEW COMPANIES these days aren't tracking measures and metrics for their Web sites. Some companies focus on raw measurements such as visits and page views; others report complex KPIs like conversion rates, bounce rates and visitor engagement. The technology to generate this data is pretty mature — Omniture, Visual Sciences, WebTrends and others are able to gather a rich set of data across the online channel. Visualization interfaces are increasingly easy to use, reporting options diverse, and customer support is, by and large, improving every year.

So why did 56 percent of respondents to a recent survey say they believed that Web analytics was "difficult?" And why did 69 percent of respondents in the same survey say they did not believe the majority of their co-workers understood Web analytics data?

Why indeed. I believe the answer is simple: While there is a great deal of information about "why" you should do Web analytics and "what" you should measure, there is not enough information about "how" you make the data work for your online business. But the "how"

describes the process of making good use of your current investment in Web analytics.

Too many companies have an unrealistic expectation about what is required to be successful with Web analytics. Here are three common mistakes most companies make with Web analytics and what they can do about it.

Don't assume that everyone "gets" Web analytics data. Nobody studies Web analytics in college, and very few people have a strong understanding of the ugly nuances of Web data collection. Provide internal education, not just on the applications, but also on the data itself. Remember, knowing is half the battle.

Don't confuse "reporting" with "analysis." Web analytics is called Web "analytics" for a reason. Focus your efforts on producing data-based recommendations, not reports, and watch how people's response changes.

Don't spend all your time looking backwards. Too many companies in my experience are looking for reports that describe "how they did." Start looking forward by actively working to optimize your key performance indicators. And if you're not running controlled experiments, start.

Educate, analyze and take action. Repeat as necessary. ■

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