

Lessons Learned

Last class we presented both our Value Curve and Insights regarding the eleven interviews we have done. Now, once we have the 20 interviews we will conclude whether our hypothesis are valid or not and then change our Business Model accordingly! Let's see what our clients want us to change!

Our focus this week was on **Channels** and **Customers Relationships** elements of the Business Model Canvas.

Channels

Defining Channels implies understanding that they have four main roles - Marketing, Sales, Distribution and the usually forgotten, After Sales Support - and that each channel must be coherent with the set already chosen.

Marketing

Marketing conveys messages to our customers. So which freely channels are available today and are most suitable for a company like ours?

Company Website is widely used by every company. Today, it is quite improbable that one can find a company without a specific website.

Similarly, e-mail is part of our everyday lives, with email users sending 204.000.000 messages every minute! So **email marketing** has become a relevant free channel to convey messages.

Blogs and **Social Media** are a hot topic in Marketing. Thousands of articles have been written to understand how to use these tools to reach the consumers - not only as marketing but also to build a relationship (as we will see below). As you will see, we will be using these channels heavily, since University Students are active users of not only Facebook but many other platforms. Moreover, building **communities** around the idea and the product is essential. It brings brand loyalty but also consumers start answering each other's questions and helping the company when something is wrong.

Search Engine Optimization - SEO, build your website in such a way it maximizes its visibility in a search engine. Normally, by including as many words as possible in the description that customer target would search online. We can do this in our blog!

Viral Marketing is one of our most powerful tools which we will discuss later.

All in all, we have the sensation we are lucky for having so many free options nowadays, where the Internet plays a decisive role in people's lives. This way we can not only use them with minimal budget, but also test which are the most appropriate ones to our targets.

Regarding paid channels, **PPC (Pay per click)** is the recommended one – being AdWords the most effective, since Google generates highest traffic. During a minute Google receives roughly 4.000.000 search queries.

Sales

Here we can have the traditional **Agents-Distributors-Retail** and **Sales Force** channels, or alternatively, **Telesales**, **Value-added Resellers** (like SAP which sells through software consulting firms) and the **Internet**. In fact, Internet and other related media are modifying distribution channels with the Pee-to-peer Marketing pioneered by Ebay. Amazon makes \$83.000 in online sales per minute. Besides, Interactive TV is seen today as viable direct marketing channel in the future! Let's wait and see how the channels will evolve!

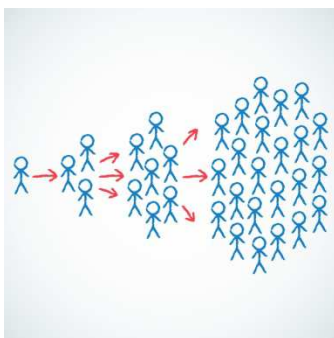
Customer Relationship

Customer Relationship is all about **getting customers**, **retain** them and **grow** our customer base. We need to decide what kind of relationship we want to hold with them and if all these is coherent with our Business Model.

Getting, Keeping and Growing customers imply different processes in the consumer mind, so they must be addressed separately with different tools and strategies.

For instance, Getting Customers follows four essential steps until the Sale. First, we acquire the potential customers – we let them know we exist, we create brand awareness. Then, activation phase starts, with a call for action – this is where the relationship starts. Retention will be when the customers already engaged several times with us and are truly interested in our product. Finally, a sale happens.

In this first phase, creating a blog, a website, engaging in email marketing, SEO, using Social Media, providing Free testing, getting Testimonials and leveraging Viral Marketing is crucial. Regarding the latter, Viral Marketing is all about making your customers your sales force, normally increasing sales exponentially. For instance, the Old Spice commercial (<https://www.youtube.com/watch?v=owGykVbfgUE>) which had millions and millions of views on Youtube and also many other "copy-cats" to make fun!



On the other hand, after this expense of getting a customer, we should not let them go! Make sure you have updated, interest content in your blog. Start addressing the clients by

name, talking directly with them, making it more personal and building a true relationship. Keep your Communities going on – answer questions, trigger relevant discussions between them! Send newsletters with up-to-date information and new events to come. Based on this, notice how Drip Marketing plays an important role – continually engage with your customers, don't forget about them during a whole month! The customers probably don't have the need we satisfy every day, so, if we just create a contact from now and then, we probably won't get the exact moment they have that need. No, we have to be reminded when they have that need, we must be part of their consideration set, occupy a place in their mind!

Finally, we need to constantly grow our customer base. In this sense, we have next-selling, up-selling (buys a new model, a new product the company releases), cross-selling (different from initially bought, other line of products) and, the most desired one, Recommendation (they actually start recommending you)!

Creating Traffic

So we have our Landing page! That is great! But now, how will we make sure it has traffic? Many tools were presented in class, and many other tools are available today for us to create traffic!

We started by Adwords and how it works! This is a PPC - paid option - nevertheless, very effective one with a fairly high CTR (click-through-rate). Just really need to choose the right keywords! How? Just think: if I was my customer, what would look for? Would I write "teamwork platform"? Probably not! They are not actually looking for a new solution! They are looking for our features. One should also consider different spellings like "team work" vs. "teamwork" or "group work", always guessing on how the target will think. Finally, Google provides an interesting tool which we can leverage to find the right words.

All kinds of tools and platforms were presented! From a Facebook page, to LinkedIn Ads and Groups! Hacker News from Y-Combinator (we will talk about Y-Combinator in our inspirations, coming soon) which are a tough, tough audience! Pinterest, generating traffic through Pinning it and Following! Slideshare where we can upload our slides so everyone can see them! And so on... many, many tools are available today and we are going to leverage them to create a Business Model that our customers want.