



Ridge Business Development LLC

## The Benefits and Pitfalls of Webinars

### **Management Summary:**

There are many compelling reasons to launch a webinar program, but there are expenses and time investments that are not immediately obvious. To minimize surprises and achieve expected results, carefully evaluate your internal capabilities and outsource where necessary.

According to Gartner, marketing automation is one of the fastest growing CRM investment areas forecasted at 16% compound annual growth through 2011. Walk down the halls of many companies at noon and you'll see marketing automation at work as busy professionals view webinars while having lunch at their desks.

Why are webinars so popular? Lead generation is the main reason, but for savvy marketers this is not the only justification for including webinars in their marketing mix.

***Webinars save money.***

According to the Wainhouse Research Group, 61% of all companies are using webinars to reduce the number of in-person events. Case studies claim that some companies who launched webinar programs saved 75% on event expenses.

***Buyers like webinars.***

They can learn about products without dealing with salespeople. A recent Gartner survey found that 86% of all respondents will view as many or more webinars in the next year than they did in the previous year. A survey performed by PR Canada revealed only 7% found webinars a waste of time; 83% found webinars convenient; and 66% time effective.

***Webinars reach people live events cannot.***

Not all the influencers, recommenders, and decision makers have the time or permission to attend a conference or a trade show. But they certainly can listen to a webinar, particularly if it is recorded and available on-demand.

***Webinars accelerate the sales cycle.***

Closing sales for complex and expensive products frequently requires the approval of many users and budget-holders in far-flung locations. A recorded webinar is a very efficient way to educate and convince purchasing stakeholders.

***Webinars build brand and create thought leadership.***

Webinars are a much richer medium than press releases, white papers, or other print vehicles typically used for these purposes. Also, a professionally produced webinar can inexpensively elevate the image of a small company above larger, well-funded competitors.

Convinced? As usual, all that glitters is not gold. Before diving in, take a few minutes to consider what follows - it might save you a lot of time, money, and embarrassment.

***Are my buyers ready for webinars?***

Webinar attendance requires computer literacy. Both my neighbor and my father are successful businessmen who can barely peck out emails. There is no way they could logon to a webinar without a lot of help. If your target buyers are like my father and neighbor, webinars won't work.

Some products require "high touch" sales cycles – either because of industry custom or the product requires tactile evaluation. In these instances, webinars might help get your message out to suspects and unqualified prospects, but they may not displace face-to-face meetings. They still may be worth doing, but the return on investment may not be as quick or discernible.

### ***Webinar leads are often not “sales-ready”***

Many webinar attendees are very early in the purchasing process – typically in the research and information gathering phases. They may not be ready yet for the aggression of your sales force, but they can be a bountiful harvest if cultivated correctly. In this era of metrics-based marketing, make sure you have measurements that take this into account otherwise the ROI of your webinar may be disappointing.

### ***How will you promote your webinar?***

You need to do more than post a notice on the home page of your website. Access to a large emailing list is a good start. Results can vary widely by industry, but a rule of thumb is 5% of those invited will register and only half of those will actually attend.

Your own marketing database or mailing list is a good place to start. List brokers are another source. Also, check with the associations and magazines serving your industry. Often they host webinars and will promote them to their membership and mailing lists – for a fee, of course. This is a great way to get your webinar program started because the association or magazine will handle most of the promotion and production, allowing you to concentrate on good content.

Other ways to promote your webinar are traditional direct mail, banner ads, pay-per-click advertising, newsletter advertising, blogs – all the same vehicles you would use to promote a live event.

### ***Don't take webinar production for granted.***

On the surface, webinar production seems easy. Simply logon to a webinar platform provider – like WebEx or GoToMeeting and follow the directions. Unfortunately, it's not as easy as it looks. There are many moving parts going on simultaneously – presenter transition, presenter user problems, Internet issues, teleconference issues, recording snafus, power failures, attendee interaction – and all are potential points of failure. To minimize these risks and compensate in real time, you need the following:

- A studio dedicated to webinars. At a minimum you should have a quiet room with two computers, two phone lines, and a high speed internet connection. Ideally, the computers should be laptops so the batteries can serve as backup in case of a power outage. The phones and network equipment should be hooked up to an uninterrupted power supply (UPS) capable of powering these items for the length of the webinar (typically one hour).
- Two trained and experienced production people for each event. One should be a good public speaker to serve as emcee and push the right buttons for recording. The other needs to transition the presentation among the presenters and deal with attendee interaction – chat, impromptu questions, polling questions, etc. He/she must also cue the emcee if there is background noise on the presenters phone line or the presenter is speaking too softly.

You can do your own production or outsource it. As mentioned above, if you choose to have an association or magazine host your event, the production is usually included. Also, there are third party production companies that do an excellent job for a reasonable price.

### ***Are reports available for effective follow-up?***

As mentioned above, some webinar attendees will become “sales-ready” leads, but most are early in the buying process and need to be cultivated. Regardless, your webinar platform provider and/or third party production service should provide the following:

- A list of registrants with contact information
- A list of attendees with contact information
- Poll question responses from each attendee

If you create good polling questions, you can get clues of where the attendees are in their buying process and can follow up accordingly. Also, don't overlook the registration list. Obviously, they were interested enough in the webinar topic to register. You need a follow plan for them as well.

### ***Should I record and archive my webinar?***

A survey by the Aberdeen Group found that 70% of executives preferred on-demand webinars which they could access at their leisure. Providing a webinar on-demand requires recording and archiving, but there are pros and cons. First the pros:

- A recorded webinar is a great way to follow up with registrants who did not attend the live event.
- An archived webinar is a training tool for new salespeople and other employees.
- An archived webinar provides rich content for your website.
- If promoted, an archived webinar will generate sales leads.

Now for the cons:

- There are additional production and promotion costs. A high quality recording requires a dedicated computer and phone line just for that purpose (see comments on recording studio above). Some of the webinar platform providers will claim that is not the case. Don't drink that Kool Aid. Also, recorded webinars without promotion will do little more than collect dust. You will need to spend some money to bring it to the attention of your target audience.
- Capturing good leads from on-demand webinars is tricky. Many of the webinar platform providers have archiving and registration procedures but they are not foolproof. In most cases the registrant can enter phony contact information to get access to the recorded webinar. You can develop your own foolproof registration system, but that will probably require some changes to your website. Don't despair...some third party companies offer effective archiving, registration, and lead passing services.

So there you have it - a quick “whys” and “gotchas” guide to webinars by someone who has produced successful webinars but has also witnessed “webinar meltdown”. Hopefully, you can now 1) make a webinar decision with eyes wide open and, most importantly, 2) if plan and execute a successful event.

### About the author

Chris Buckingham is the founder and managing director of Ridge Business Development LLC – a sales and marketing consulting firm specializing in sales and marketing automation. Chris has produced webinars for many organizations including Accenture, SAP, and the Professional Pricing Society.

Prior to forming Ridge Business Development, Chris held senior executive positions with enterprise software firms. Most recently, he was CEO of QL2 Software. Mr. Buckingham is a certified eMarketer (CeM) and is a frequent author and speaker on a variety of leading edge marketing and sales techniques.