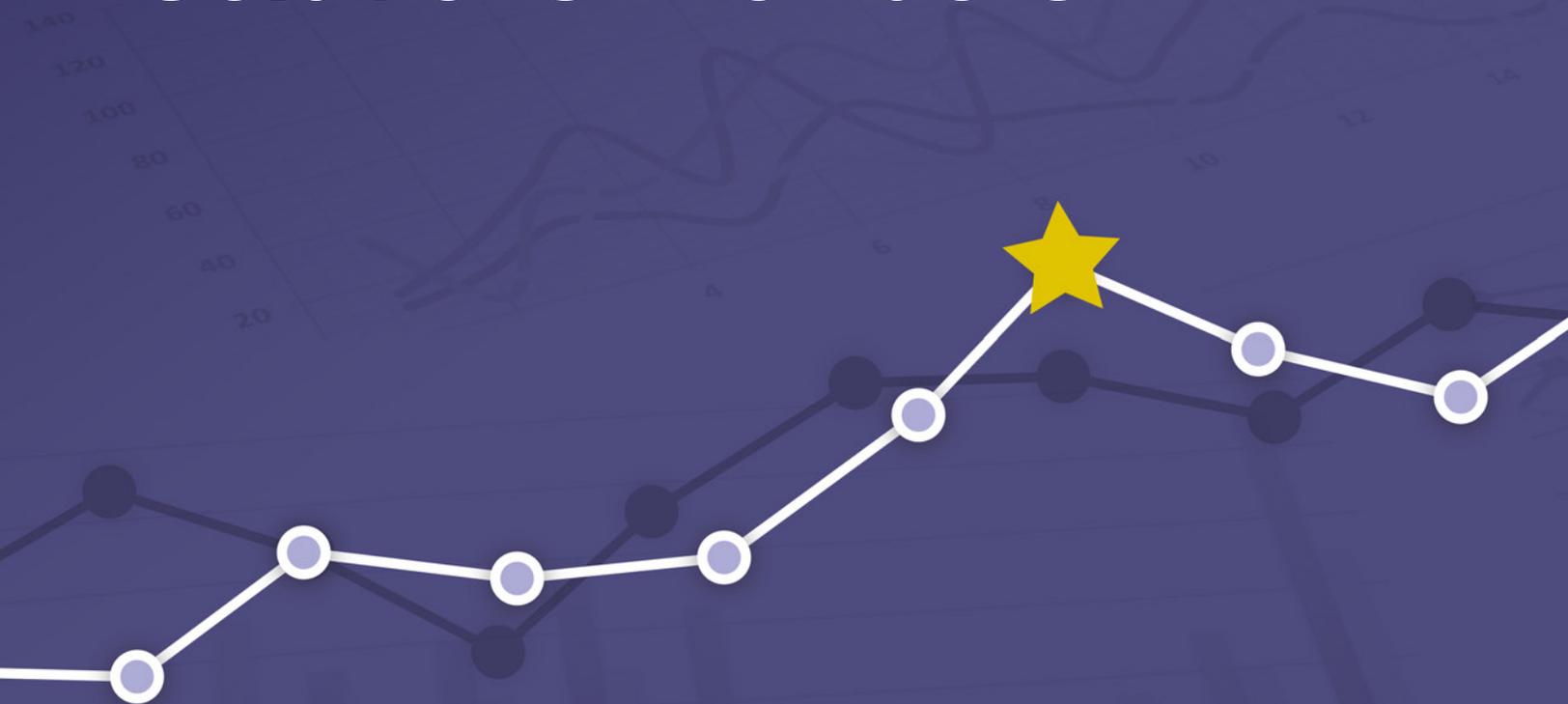


Marketing Benchmarks for POS and Payments Solutions Providers



It can be a challenge to show whether your marketing campaigns are working. If you are a point of sale (POS) or payments solutions provider, it's further complicated by the fact that things work differently in this channel than in the rest of the B2B world, and your results won't line up with benchmarks published for B2B companies in general.

To help you overcome this challenge, The SkyRocket Group, which has provided marketing services to POS and payment companies for more than a decade, studied the results of industry marketing campaigns and shares them here as a point of reference for you to use when evaluating your company's marketing initiatives. This e-book outlines our findings in three areas: email marketing, website traffic and lead generation, and social marketing.

Email Marketing

Any benchmarks or metrics, must reflect performance or progress toward specific goals to have value. These three benchmarks for email marketing provide insights in the following areas:

- **Deliverability:** Your database of prospects is clean.
- **Open rate:** Prospects perceive the email's subject line and visible content as valuable enough to want to read more.
- **Click-through rate:** Content compels prospects to click links in the email that take them to your website or landing pages.

Averages for IT Channel

Averages for email newsletters and email blasts in the IT channel:

Deliverability: 97% to 100%
Open Rate: 12% to 20%
Click-through Rate: 1% to 3%

Averages for Reseller Partners

For marketing campaigns that target an authorized reseller partner base, the rates will typically be higher because your readers are invested in your business:

Deliverability: 97% to 100%
Open Rate: 25% to 34%
Click-through Rate: 3% to 6%

Averages for End Users

When marketing to end users, open rates are a function of the source and quality of the list data. Benchmarks for these campaigns are:

Deliverability: 97% to 100%
Open Rate: 8% to 16%
Click-through Rate: 1% to 2%

Anomalies, Good and Bad

It's important for you to have the right perspective when using benchmarks to gauge the effectiveness of marketing campaigns. Benchmarks provide a comparison against others in your industry, but you also need to determine what is par for your company. This isn't an excuse to say it's okay to consistently perform below these averages. Quite the contrary. And it's also not an excuse to say it's okay to fall within these ranges if your campaigns usually return higher rates.

Also take other circumstances into account when evaluating a campaign. A great example is 2015's EMV liability shift deadline that piqued the industry's interest. Email content on this topic should have resulted in higher-than-usual open and click-through rates.

Analysis and Tips to Improve Performance

However your company's email marketing campaigns compare to these numbers, there is probably room for improvement. Here are several tips that can help you improve performance:

- If deliverability is below 97%, it is usually a sign that you have bad data (names and contact information) in your database. A simple review and cleanup of email addresses for hard and soft bounces should enable you correct this.
- To increase open rates, try:

Personalization: Have the greeting and content customized for each individual.

Segmentation: Segment your email database to deliver more targeted messaging to subscribers. This is especially effective for industry focused email blasts to subverticals, for example, if you have a solution designed for clothing retailers, segment the list and tailor content for shoe stores, department stores, and athletic wear stores.

Frequency: The more call-to-action triggers you include in the email, the more click-throughs and leads you will generate. An email with one CTA only gives readers one chance to engage with you. Use multiple CTAs that address people at various levels of the sales funnel. CTAs can range from e-books and case studies to a product catalog, product configurator, and special promotions. Regardless of where readers are in the buyer's journey, you will offer some content that appeals to them and you have a better chance at capturing leads.

- If click-through rates are not hitting a minimum of 1%, it is usually a sign that you do not have either the right content or call-to-action (CTA) triggers to motivate subscribers to click through to your website.
- Don't judge performance month to month. There are a number of factors, such as holidays, vacations, buying cycles that can impact email marketing. A better plan is to watch for trends over time or compare results to the same time period in the previous year. Neither should show a decrease if you are running effective campaigns.



Website Traffic/Lead Generation

In general, each company’s website will perform differently, but every company should record a baseline and work to increase traffic and convert traffic into leads.

For companies that deploy inbound marketing and search engine optimization (SEO) strategies to increase web traffic, The SkyRocket Group has found companies in the industry achieve:

- **15% to 40% increases in website traffic** in the first year
- **1% to 3% conversion of Users** (formerly “unique visitors” in Google Analytics) into qualified marketing leads

Set a Path for Improvement

If your inbound marketing and SEO campaigns fall short, here is analysis and some tips that may help:

- Basically, the more CTA triggers you have on your website, the more potential leads you can generate. Among POS and payments company clients, research shows that the top five types of assets to use as CTAs are:

1. Educational e-books or white papers
2. Product catalogs or company overview brochures
3. Product configurators
4. Request a demo or quote offers
5. Videos

- Gate all CTAs so website visitors need to provide contact information to access to the information that interests them.
- Vary CTAs so they address visitors to your website that are at different levels of the sales funnel. Statistics reveal that 95% of website visitors are not ready to buy, but rather are at the information-seeking or problem-solving stage of the buying cycle. Offer educational blogs, case studies, and e-books as well as product demos and quote request forms on your website.
- Avoid the common mistake of combining “request a quote” and “contact” forms. They should be separate forms with unique questions: Request a quote forms should collect standard contact information (name, company, email, and phone number) and also ask two or three qualification questions such as timeframe to purchase, business type, and what product or solution they are interested in. Also include a free-form text box that allows leads to elaborate on their project requirements.

Social Marketing

The SkyRocket Group's experience working with POS and payments companies on social marketing has revealed a number of insights, but maybe the most notable is that IT solutions providers have a love-hate relationship with social media. When social marketing is working, a company can see increased website traffic, leads, and even elevated status as an industry thought leader or subject matter expert. But social marketing takes time, and POS and payment solutions providers don't have time to spare.

This challenge makes it all the more important to budget the time you spend on social media and to use it on activities that have the best return.

Among POS and payment solutions providers companies that engage in social marketing:

- Average posts per week on all social media: 10
- Average engagement per post (likes, retweets, comments, etc.): 1
- New followers: 50% to 100% increase per year
- Website traffic referred from social media: 0.5% to 1.5%

Most of our clients are comfortable with this level of engagement on social media — it gives them a social media presence to have the ability to engage partners and prospects who prefer this medium, but it also is a manageable commitment of time and resources.

You can, of course, spend more time and resources on social media, but be careful to weigh it against the returns you can expect. If the ROI is there, go for it, but we don't advise expending resources on social marketing just for the sake of being active on social media. IT solutions providers, especially VARs, need to focus on a number of other vital areas to promote their businesses. Social media shouldn't trump an up-to-date website with an SEO strategy and compelling sales literature.

Analysis and Tips for Improving Social Marketing

Different social media platforms should be used in different ways:

LinkedIn

LinkedIn: Establish a company page or a group and post at least once per week on that page. Visitors that find the page shouldn't get the impression that it's outdated. Also invite people to connect with you on LinkedIn after meeting them at tradeshows or engaging with them in other ways — it's an easy way to stay in contact and build a relationship with potential partners and prospects. Interactions on LinkedIn are usually similar to those at a tradeshow or networking event and should have a business-like tone.

twitter

Twitter: The IT channel seems to use Twitter more as a news feed than for social engagement, so this makes it a great place to promote blogs or other content and drive traffic back to your website. The tone of channel company Twitter posts, limited to only 140 characters, are brief, but educational and informational — along the lines of running into a business associate and saying, "Hey, did you hear about..."

facebook

Facebook: Post on your Facebook page four or five times per week, making sure you use images to attract attention. The tone of Facebook posts is usually less formal. It's a great platform to show what your company culture is like, share news of awards, or recognize members of your team for reaching milestones. In addition, Facebook ads are a viable, budget-friendly option to promote you posts to a targeted audience.

It's important to pay attention to social media etiquette to be successful at social marketing:

- Don't make it all about you. Be sure to share or retweet posts from industry associations, consultants or partner companies. The so-called social media "golden ratio" suggests 30% of the content you share should be what you created, 60% should be content from others that you curated, and 10% should be CTAs.
- Engage with followers. If they reach out, be sure to respond to them in a timely fashion.
- Do not delete or try to bury negative comments. Respond online in a polite manner to ensure that other customers know you take feedback seriously.

How Do You Measure Up?

As you read over these three areas and how other companies are faring, how do you compare? Take steps to measure, monitor, and adjust your marketing initiatives to align with your industry peers and to make progress toward your company's goals and optimal marketing ROI. If your company isn't yet engaged in strategic marketing initiatives, these benchmarks can be targets as you formulate campaigns and begin to reach out to prospects and leads. Contact SkyRocket Group for more information.

About The SkyRocket Group

The SkyRocket Group is an inbound marketing agency based in Erie, Pa., that focuses on helping point of sale (POS) and payment technology companies throughout North America build a digital presence that attracts targeted web traffic, converts website visitors into leads, and nurtures leads in the sales funnel until they turn into profitable customers. Our experienced team has successfully managed marketing campaigns for companies that provide POS hardware and peripherals, POS software, payment solutions, mobility, data collection, and RFID. Whether you are a VAR, ISV, vendor, or distributor, The SkyRocket Group has the industry expertise to help your market your business.

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