



Audiences and Products, Existing and New

Leading Learning Podcast Transcript for Episode 424

Jeff Cobb: [00:00:00] Sometimes it's helpful to take hairy subjects, like marketing and strategy, and break them down into simple—but not simplistic—terms, like today's look at audiences and products, existing and new.

Celisa Steele: [00:00:20] I'm Celisa Steele.

Jeff Cobb: [00:00:21] I'm Jeff Cobb, and this is the Leading Learning Podcast.

Jeff Cobb: [00:00:29] If you've tuned in before, odds are you know that we focus on and often talk about the reach, revenue, and impact of learning businesses.

Celisa Steele: [00:00:39] In this episode, we want to focus on the core ways in which a learning business can grow its reach, revenue, and impact. In the simplest terms, that comes down to new and existing audiences and products.

Jeff Cobb: [00:00:52] That's right. There are basically two factors to consider: audiences and products. In other words, those you sell to and what you sell to them. Using those two factors, you can set up a 2x2 matrix—a favorite tool of consultants like ourselves—and you can use that to outline the four approaches to growing reach, revenue, and impact for your learning business.

Celisa Steele: [00:01:17] That's right. You can grow by reaching new audiences with new products, and, if you're a brand-new learning business, that's your option. But we're assuming that you're probably not new, that most of our listeners are probably folks already working in a learning business. But, even if you are in an existing learning business, this is still an option—you could decide to develop a new product and promote it to a new audience. That might be the case if you've traditionally had a domestic base, but now you want to tap an international audience, and you need a new offering to appeal to that international audience.

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Jeff Cobb: [00:01:55] So that would be one quadrant of our 2x2 matrix if you're inclined to think visually about this. You don't have to; you can just follow along with what we're saying. But, if you want that kind of visual representation, that's one: reaching new audiences with new products. But you can also grow your reach, revenue, and impact by taking current products, offerings that are already in your portfolio, and targeting those to new audiences. That might be the case if you're looking to go international and you already have offerings that would be of interest and appropriate for that.

Celisa Steele: [00:02:27] So those are the first two quadrants. The third quadrant has to do with the fact that you can also drive growth by developing new products that you then offer to your current audiences. Maybe you have a basic offering for professionals in a topic, but you want to build out an intermediate offering for them to be able to continue on.

Jeff Cobb: [00:02:50] And then, finally, you can look at your current audiences and your current products and figure out how to maximize the revenue coming from each audience and coming from each current product.

Celisa Steele: [00:03:01] It not only maximizes the revenue but also the reach and the impact as part of that as well. We're going to talk more about this approach, this quadrant, in just a moment or two, but we will say here that, when we consider these four options, if we consider these four quadrants in terms of risks, going out to new audiences with new products is the riskiest because, in that situation, you don't have a relationship with the audience or audiences that you're targeting, and you're investing time and money in new and, therefore, unproven products.

Jeff Cobb: [00:03:34] So true. This one, I think, is often like a moth to a flame. I find, when I'm working with organizations, there's that idea that there's that whole new market out there, and we have new products we can introduce. But, as you said, that's the riskiest. The next most risky is going to be targeting new audiences with your existing products. You're dealing with products, but you're trying to present them to new audiences that you don't have a relationship with.

Celisa Steele: [00:04:00] And then what we would put just behind that in terms of risk is targeting existing audiences with new products. So you're, again, investing in unknown products, but you do have a relationship with the audiences you're targeting. They've hopefully had positive experiences with your offerings in the past. Hopefully that will therefore predispose them and incline them to try something new that you have to offer.

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Jeff Cobb: [00:04:24] And then, finally, trying to grow with your existing products and your existing audiences is the least risky because you're working with audiences who you presumably know well and hopefully trust you and also with products that are already built and are known quantities. This tends to involve the least investment of time and money of the four options.

Celisa Steele: [00:04:45] We want to focus in on this approach in this episode and talk a little bit about what you can do with your existing products and existing audiences to try to grow your reach, revenue, and impact. Now, we will state here that there is an assumption built into this being the least risky approach, and that is it assumes that you have the right products for the audiences that you're targeting. Hopefully you've done the market assessment, and hopefully you revisit that market assessment work periodically to really help ensure that you do have the right products for your existing audiences.

Jeff Cobb: [00:05:22] Let's assume that you do have the right products; then getting more customers for the offerings you already have is one of the most straightforward ways to grow. For this to happen, you have to increase your prospects and leads. That's, of course, easy enough to say, but how do you go about doing that?

Celisa Steele: [00:05:42] Right. Here we're talking about you have an audience that you're focused on, but you want to make sure that the greatest percentage possible of that audience is actually a customer, someone that comes to you for your learning products and services. Making sure that your current target audience or audiences are fully aware of your offerings that are relevant to them, that's a really important way to get more customers. I would say that, in our experience, organizations often assume that there's higher awareness among their audiences than there actually is. They might feel like they are beating the drum ad nauseam about a particular conference or course or whatever it might be, but often, when you actually ask people in that audience, they might say, "I've never heard of that before. I didn't know this organization offered that."

Jeff Cobb: [00:06:27] Yes, we find that all the time when we go out and do market assessment work, surveying, for organizations. We like to talk about awareness in relationship to conversion. To better understand how to maximize participation in your offerings, you have to understand how aware your current audiences are of your offerings and then also whether they've actually participated in them. This will give you a conversion ratio—that is, out of those

who are aware, how many have converted into paying participants? First, you get the general awareness, and then you get is this product actually working with those who are aware?

Celisa Steele: [00:07:07] This is an area where we have some experience working with clients and consulting engagements around trying to gauge this awareness. And so, Jeff, there's a survey question that we'll tend to use.

Jeff Cobb: [00:07:19] Yes, we use this all the time, and we're happy to freely share this for folks to try, even if you're not working with us. We'll ask a version of this: "Prior to this survey, how aware were you of the following options from our learning business?" It might be specific online education options, or it may be some subcategory—whatever you're trying to find out more about. And then we say, "Please also indicate whether you have ever participated in one of these." We'll give categories of awareness and participation, starting with "not aware"; "aware, have participated"; "aware, have not participated"; "aware, unsure about participation."

Celisa Steele: [00:08:03] I think that last one probably hurts a lot of learning businesses—that someone might have heard of it, and they can't remember if they've participated or not. Again, unfortunately...

Jeff Cobb: [00:08:12] The truth can hurt.

Celisa Steele: [00:08:13] Yes, the truth can hurt. This can be the case. So it's still helpful to ask that question and to find out how many of the participants in your audience fall into that particular category. What this is going to tell you is it's going to give you a sense of overall awareness. If the awareness is relatively low, that is, if you have a lot of people saying "not aware" in response to that survey question, then that's going to steer you towards the idea that more promotion is probably needed. You need to get the word out. You need to make sure that you really are communicating with the audience and doing that through the right platforms and vehicles to really connect with them and make sure that they do become aware of what you have to offer.

Jeff Cobb: [00:08:56] Right. And then, of course, you're concerned with how strong is participation relative to the awareness that seems to be out there. If participation is relatively low compared to the level of awareness, then you may need to adjust aspects of the offering. There may be things about the offering that just aren't capturing interest at the level that you

need and aren't driving people towards conversion—actually enrolling and registering for whatever that learning experience is.

Celisa Steele: [00:09:23] Right. This gets back to the caveat we said at the beginning that, while it can be least risky to try to get more reach, revenue, and impact out of your existing audiences and your existing products, you do have to make sure that you have the right products for that audience. And what a high level of awareness but a low level of participation might tell you is, actually, that product isn't as spot-on a fit as you thought it would be for your audience.

Jeff Cobb: [00:09:49] Right. Once we've done this, as we mentioned, we'll create, basically, a conversion ratio with participation in the numerator and awareness in the denominator. If you need to pause and go refresh yourself on what a numerator is and what a denominator is, you can do that. But the numerator is on the top, and the denominator's what it's divided by. There's no magic or scientific answer to what your conversion ratio should be. It's going to depend on the nature of the offering and your knowledge, over time, of how your products tend to perform. But, as a general rule, if you have a conversion ratio of below .7 or so, you definitely have some room for improvement. You may need to address elements of your offering or improve the quality (as opposed to the quantity) of your promotions. We'll get into that more in just a minute.

Celisa Steele: [00:10:37] Yes, and I think that's a point, though, I will pause right here to underscore, which is that, again, if you have high awareness but low participation, it could point to an underlying opportunity in the product itself, to change how that works or what factors are involved in that product. But, to what you just said there, Jeff, too, it might also point to what you need to emphasize in the promotion itself. Maybe you aren't speaking the love language of your learners in your promotions.

Jeff Cobb: [00:11:03] Often organizations do not really make the value clear because so many times you're dealing with an LMS. It's just churning out these standard product pages, sales pages, and you may be listing things like learning objectives, for example. But those rarely convey the value—the real outcomes—that you're going to produce from any learning experience, and so you're just not hooking the learner with the language you're putting out there. We'll say too that we're always going to ask as a follow-on for those who say they're aware, but they haven't participated: What's your primary reason for not participating in whatever the offering is? You can usually have some carry-forward logic, and then you may want to ask about specific points that you're concerned about, that you know may be an issue

with the product. Or you may want that to be open-ended. It really depends on the nature of the research you're doing.

Celisa Steele: [00:11:52] That wraps up our look at conversion. If you're looking to get more reach, revenue, and impact out of your existing products with your existing audience, you want to think about conversion. We just gave you some ways to think about that and to perhaps do some market assessment to make sure you understand the conversion piece.

Celisa Steele: [00:12:16] At Tagoras, we partner with professional and trade associations, continuing education units, training firms, and other learning businesses to help them to understand market realities and potential, to connect better with existing customers and find new ones, and to make smart investment decisions around product development and portfolio management. Drawing on our expertise in lifelong learning, market assessment, and strategy formulation, we can help you achieve greater reach, revenue, and impact. Learn more at tagoras.com/more.

Celisa Steele: [00:12:54] Another route to go is to get more customers by using your current customers to help you. Essentially, this is asking for referrals.

Jeff Cobb: [00:13:06] Yes, and this is such a powerful thing to do that I think organizations don't do enough of. We don't do enough of this. It's something that we're working on in our business. Getting one customer to tell another prospective customer that they should look at your stuff, that they should participate in these experiences, go to that conference—very, very powerful. Of course, you do have to ask for those referrals. Some will happen organically, but, if you really want this to take off, it's something that you have to do.

Celisa Steele: [00:13:32] This reminds me, in the conversation you had with Kemi Jona of the University of Virginia, he was talking about the importance of curation filters and that, when he gets a recommendation from a colleague about an article to read or a book to read, then that bumps it to the top of his list because that resource has passed the threshold of someone that he trusts. And that's often even for unpaid stuff that he was talking about—an article on the Web. Think about how much more valuable that would be for a paid experience. So, again, if we pause to reflect on our own behavior, we can recognize the importance of referrals.

Jeff Cobb: [00:14:09] Yes, there's research out there to back up this type of thing. We know that earned advertising, which is essentially what a referral really is, is more effective than owned (or paid) advertising. The stuff that you pitch yourself or you pay to appear somewhere else,

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that's just not as effective. It often means that you should rethink things if you're spending a lot of money on paid advertising and not giving any thought to this earned advertising. It's worth thinking about. Are there some ways that we can invest time—and time is probably going to be the biggest one—but possibly even some dollars in getting those referrals?

Celisa Steele: [00:14:47] Right. And so, to get referrals—again, we made the point just a moment ago—you need to ask for them. Again, you might get a few spontaneously, but there's a lot to be said for going ahead and making it clear that you are looking for referrals. Ask for them rather than just waiting and hoping. You also want to think then about when to ask current customers for referrals. When are the logical points that you're going to be able to have interaction with those current learners, that you can then ask them for a referral, and then perhaps bake it into part of your process? Maybe as part of your after-course evaluations or any sort of follow-up that you might be doing with those learners who have just seen what the experience is like and how great it is, and they might therefore be primed to share with others. Can you go ahead and plant that seed and say, "Who else would benefit from this course? Will you reach out to them?" And give them a little bit of language to help them do that.

Jeff Cobb: [00:15:42] Yes, giving them language, equipping them, to make it as easy as possible for them to make that referral, I think that's really important because a lot of times somebody will ask me if I'm willing to be a referral, if I'm willing to refer business, and, yes, I am, but it's not like I'm suddenly going to stop on a dime and do that. But, if you give me an e-mail I can forward, I might do it right away.

Celisa Steele: [00:16:05] We've experimented with referrals for events in the past. For example, when we had some conferences in the past, we wanted to make sure that those who had registered were helping to spread the word, and so we offered that they could bring a colleague or a friend for free. That was relatively easy for us to put in place. It was an online conference, so it had relatively low cost for us to allow someone else to come for free, and then, for that attendee, that was a way for them to deliver some value to a colleague they know and like. So it was hopefully that win-win. And that's the kind of thing that you can think about. Are there times and places when it might make sense for you to either offer a deep reduction in price or potentially even offer something for free to help make sure that that referral flywheel is working for you?

Jeff Cobb: [00:16:56] Right. And, of course, we do it for our consulting work too. It's often more important in higher-ticket-type items. If you're providing consulting, custom training, coaching,

or things like that, you definitely want a referral process built into that. It's by far the easiest way to get not only customers but the types of customers that you want.

Celisa Steele: [00:17:17] Right. As you said, the higher the price tag, the more valuable the referral in general because, if someone's really contemplating that high-ticket item, knowing that someone that they have a trusted relationship with says, "Yes, this is good value for you," that's going to help tip the balance and make them say, "Okay, I will spend that amount on this." I would say too that you can think about referrals either as standard practice—that's something that we bake in around our consulting engagements—or you can also potentially run some experiments, more like we did with our online conference and this idea of if, for a period of time, we ran a bring-a-colleague-for-free promotion, would that help us with referrals? Be thinking about how to have your current learners help you get the word out about the value that you provide.

Jeff Cobb: [00:18:06] That's referrals, as one approach. The next approach, it really is a referral in a way because you're again getting people to speak on your behalf, but this is a little more scalable, I think, and something that you can incorporate into multiple places in what you do, and that's testimonials, getting customer testimonials.

Celisa Steele: [00:18:27] Right. Again, this is social proof. This is trust. We tend to believe what our peers say about a product or experience more than the organization that's providing that product or experience because it seems like, of course, that organization, the learning business that's providing experience, is going to have a bit of a biased view. They're going to say, "This is great! Come learn with us!" But if that peer will say, "This was a great experience," you're much more likely to believe that. Essentially, we need to make sure that you're making good use of testimonials. You want to put them in your promotions. You want to make them prominent in your course catalog. You want to feature them on your conference Web site. Etc. Think about all the places where you're talking about the value of the learning experiences you offer. Are there testimonials there? Could there be more? Could they be more targeted?

Jeff Cobb: [00:19:16] Right. Testimonials, as you suggested there, Celisa, are like the proof of value—you have actual customers attesting to the value of the course or whatever the experience is. Ideally, you would couple testimonials with what we might characterize as "hard" data, which can be things like course completions, satisfaction ratings, days to job hire for certificants, things like that—that quantitative type of data that people often look for. But all of this combines to get at the fantastic value of what you offer.

Celisa Steele: [00:19:48] That's right. Combining the anecdotal and qualitative testimonials with quantitative data whenever you can, that's the goal because you're getting both sides. You're getting those numbers as well as the stories to help convey the value of what you're offering. And, related to how to present these things, a picture goes a long way when it accompanies a testimonial. It helps it feel like, oh, wow, this is an actual, real person. When we talked about referrals a few moments ago, that's more of a one-on-one, someone saying, I'm saying, "Hey, Jeff, you should check this out. I had a great experience at this conference. I think you would enjoy it." With a testimonial, it's more of me speaking generically like, "Hey, this was a great conference. I learned a lot. I think others might benefit from it." But part of what helps it feel more like a personal recommendation is if my picture is there with what I'm saying.

Jeff Cobb: [00:20:43] Right. I'll say this is a case where, if a picture is worth a thousand words, which it is, a video is probably worth a million words. We've certainly done some of that as well. And, of course, it's so easy now to shoot videos or to get your prospective testimonials to shoot videos. We'll mention too that you can incentivize referrals and testimonials—offer something in exchange for them. Depending on what that is, you may want to make it clear that people have been offered some sort of incentive. I think it's always better if you don't have to incentivize. And you can appeal to the altruistic tendencies that people have. It's just a simple request. If it's timed right, it can yield testimonials. Because your customers presumably like you, they want to help you, and a logical point for asking for a testimonial is just after they've completed the educational experience, and presumably or hopefully at that point, they're going to be pretty jazzed up about it and look forward to saying good things about it.

Celisa Steele: [00:21:40] Our recommendation here is to look at your promotions and check and see are you making good use of testimonials? And then, if you're not making good use, do you have testimonials, and you just haven't put them to use? Or do you need to perhaps organize a social proof initiative, or you're going to go out and gather some testimonials that you can begin to use? Or maybe you need to put a system in place that ensures that you're going to continue to collect testimonials at the logical point, for example, as part of a post-course evaluation.

Jeff Cobb: [00:22:12] I will say I have never met an organization that couldn't do more and better with both referrals and testimonials. Even the ones that are doing it well, there's always more that can be done there. And I'll say that's true of us as well. Physician, heal thyself. This is an area that we're always working on.

Celisa Steele: [00:22:29] We've been focused on this idea of audiences and trying to look at conversion among your existing audiences, looking at referrals among your existing audiences,

looking at testimonials from your existing audiences. Now we want to turn from audience to product, and we're going to look at the idea of how you can get greater reach, revenue, and impact out of your existing products by doing things like bundling, upselling, and having add-ons available.

Jeff Cobb: [00:22:57] Everybody's familiar with this. I think it happens all the time, for example, with travel sites. If you go to, say, Expedia, and you're just looking for a flight, they're going to try to get you to book a hotel too. It's right there at the top of your flight options. Of course, they're doing the same thing with cars too and so basically trying to get a much bigger transaction by getting folks to buy not just a flight but a flight and a hotel or, better yet, a flight, a hotel, and a car. And that's because they realize that, at least for some customers, that's going to represent some high value because they might need all of those things when they're going to be taking a trip. They want to be right there to say, "You may need this, and we're going to provide it."

Celisa Steele: [00:23:35] Another tactic is suggestive selling, and this is where you look to get a customer to add something on or to upgrade. Again, we'll stay in the travel industry. Southwest offers an add-on for EarlyBird Check-In. When you purchase that flight, do you want to be able to board early on? That's going to cost you a little bit extra. We've got Amazon that pushes products through its suggestive selling, and it'll say, "These things are frequently bought together," and that, by the way, actually makes it a little bit of social proof because the phrase "frequently bought together" says, hey, others who are like you, who were here and interested in what you searched for, bought that *plus* this.

Jeff Cobb: [00:24:17] I want to be just like those other frequently-bought-together people. I will say I do usually take the EarlyBird Check-In on Southwest because I don't like having to stand in line C or whatever at the very end that you can get stuck in. In the learning world, we've seen this kind of thing a lot with conferences. You might, for example, see three registration options. Maybe one's for the live sessions only. One is for live, and then you also get the recorded sessions bundled up with it. And maybe one comes with entry to a reception where the keynote speakers are going to be in attendance or a pre-conference workshop.

Celisa Steele: [00:24:55] This is just a note to say that there are options to think about beyond early bird discounts and on-site penalties for your conferences. What other value might you add—and then charge more for? That front-row seat in the general sessions, so you're on the front row for that keynoter? Maybe a small-group Q&A with a presenter? Those are things to be thinking about. And all of that could, of course, work for in-person or potentially online

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education. Maybe not the front-row seat, but this idea of having closer contact or more interaction, like the Q&A session, that would work, whether in person or online.

Jeff Cobb: [00:25:33] We'll wrap this up by saying that, when you're using bundling or using suggestive selling—it may go without saying, but we're going to say it anyway—the combinations and options need to be relevant and logical; they need to make sense. Think about your different audience segments—there're probably certain segments that would be looking for more value and willing to pay, and then certain things that would make sense for them. And, if you do the work to figure out what they care about and what they value, then you're going to be able to make the right bundling offers or the right suggestive offers.

Celisa Steele: [00:26:03] Another way to get greater use out of your existing products is to look at the buying frequency. This is the idea that your customers will purchase sooner than they have typically. Now, this does mean that you are *retaining* customers, and retaining customers usually means that you have to stay in communication with them, and you have to provide value—and that's, by the way, not always value that you charge for, but it might be things like the newsletter that you send out that shows the kinds of expertise your learning business has to share, Web site, blog posts, things like that that help keep you and your learning business on your customers' radar and also help the customer understand that next logical step. What else do you offer that they can and should make use of?

Jeff Cobb: [00:26:53] Right. Again, a classic example—one that's going to be familiar to so many of our listeners—is the annual conference attendee. This is a person who shows up once a year. But, if you think of the value to your learning business and to the learner if you can get them to participate in a few additional learning experiences throughout the year, that can often represent significantly more revenue for you, and it's moving the customer from a one-off experience to a more ongoing, relationship-driven interaction with your organization and with learning, which they're going to benefit from.

Celisa Steele: [00:27:26] Getting people to purchase more frequently requires putting forethought into the learning and buying path that you're providing for them. Make sure that there are clear and logical next steps presented to the learner, so, when they finish a course, what's the next one that would make sense for them to take? Learning and certification paths, career-focused curriculum, competency models—all of these can be very useful in making that next logical step very clear to your learners.

Jeff Cobb: [00:27:56] To wrap all this up, tie a bow around it, we'll note that marketing at its essence is about the audiences you serve and the products that you offer to those audiences.

Celisa Steele: [00:28:09] In the end, the core of a learning business's marketing strategy really boils down to audiences and products, the existing ones and the ones that you might add.

Jeff Cobb: [00:28:19] We hope the view that we offered of those four essential options—new products to new audiences, existing products to new audiences, new products to existing audiences, and existing products to existing audiences—might give you some clarity as you think through your marketing strategy.

Jeff Cobb: [00:28:45] Sometimes it's helpful to take hairy subjects, like marketing and strategy, and break them down into simple—but not simplistic—terms, like today's look at audiences and products, existing and new.

Celisa Steele: [00:29:01] At leadinglearning.com/episode424, you'll find show notes, a transcript, and options for subscribing to the podcast. If you haven't yet, please do subscribe.

Jeff Cobb: [00:29:10] And we'd be grateful if you would take a minute to rate us on Apple Podcasts or wherever you listen, especially if you enjoy the show. Celisa and I personally appreciate those reviews and ratings, and they help the podcast show up when others search for content on leading a learning business.

Celisa Steele: [00:29:25] And please spread the word about Leading Learning. You can do that in a one-on-one exchange, and you can do it through social media. In the show notes at leadinglearning.com/episode424, you'll find links to connect with us on LinkedIn, X, and Facebook.

Jeff Cobb: [00:29:39] Thanks again, and see you next time on the Leading Learning Podcast.

[music for this episode by DanoSongs, www.danosongs.com]