



How to Market to People Not Like You

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Every company and organization wants to grow their business. It's imperative for your success. The best way to "grow business" is by reaching new customers. And the easiest way to do that is to reach the customers

you're not getting, but could be. *In the world of government-gaming, "customers" are bombarded with daily marketing messages and from the customer's perspective, much of it washes over them in a "sea of sameness."* What will separate you and your gaming organization apart in a meaningful way, is to reach these prospective players with relevance.

Who are these potential customers? How are they different from your current consumers? Most importantly, how do you forge a bond with them across their differences? It's time to get to know, and then deliver, a welcoming message to a specific group. You have to research new consumer segments and learn what they need and want. Then modify your message to communicate that you value them. You say to them, *"I see you, I value you, and I want you. I'm putting out this welcome mat just for you."*

As a gaming professional, you've always had to "market" your organization. But the old "spray & pray" method of marketing no longer works—putting your message out there as broadly as possible and hoping it will hit a majority of your prospects. What's changed? The massive shifts in U.S. demographics and what consumers care about now.

The Census findings reveal startling facts: one in three people living in the U.S. is not White. One in six people in the U.S. is Hispanic. Among children, that ratio shifts to one in four. Blacks are moving to suburbs at a pace that's never been seen

before. Rural counties are losing population to metropolitan areas, particularly with young people. And more women are single parents and heads of households than ever before.

These differences in our population and shifts in urban and rural growth have significant implications for all aspects of business. From a marketing standpoint, an effective approach can be to market to what makes a group unique and different, not what makes them the same. When you focus on what makes someone the individual that they are, it's usually less about the color of their skin or their age or gender and it's more about their values. Our values point to what our *priorities* are and that almost always points to where the business opportunity is.

This is where *"marketing to people who are not like you"* comes in. I deliberately avoid the word "diversity" because I find that people often think too narrowly about diversity: most people think only of racial or ethnic differences when they think of the word. But I believe diversity comes in many forms: gender, race,

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age, life stage, language preference, religious views, political views, sexuality, military/civilian—even hobbies or special interests are all ways in which people's *differences* are recognized. By recognizing these differences and tailoring your message or marketing efforts to reflect someone's uniqueness, you are validating their importance. This fosters a sense of "ahhhh—they get me!" and creates trust, likability and preference.

Here are some broad consumer insights and characteristics that may help you in your government-gaming marketing and messaging, or even in recruiting talent for your organization:

Women

Women place great importance on good customer service and are very vocal about the service they receive (or perceive). And they tend to *trust what other women say*. Additionally, women do more research online than any other consumer group. Therefore, posting testimonials from women on your website can reach women players in a meaningful way: they will find these testimonials because they spend so much time online and they will take the testimonials to heart because they enjoy reading the opinions of other women.

Gen Y / Millennials

Millennials value diversity almost more than anything else. They want to see diverse imagery in your marketing messages and they want to see diversity in your organization. That means women and people of color in senior positions. They want to work for and do business with "the good guys" and hiring diverse talent as well as showcasing diverse players in messages demonstrates that it's sincere, not just lip service.

They also care about "local"—local jobs, local community, local winners. They are in favor of anything that benefits their local community—it's another aspect of being "the good guys." So stress your local involvement in communities, your winners, the jobs and opportunities that your lottery creates, anything that supports "local" is viewed favorably by just about everyone, but especially, Millennials.

Contemporary Imagery as a Macro Trend

There is a key macro trend that is manifesting itself in marketing and communication messages today. It's the use of contemporary imagery—for example, showing people with tattoos in ads. Where tattoos once were considered by society as a sign of rebellion or even perceived as "unsavory" by some, today, tattoos are seen as a way to express individuality. Among people 18–35 years old, 40% have *four or more tattoos*. They use their tattoos to mark moments or meaningful events in their lives. When it comes to marketing, we all gravitate to images that we can relate to, whether it's age, grey hair, style of dress, etc. So it makes sense that if that many people have tattoos, the imagery that we see in *ads reflect the people that we are*. For example, look at this billboard for a bank in the Philadelphia area. The young woman on the billboard has an edgy, stylish

haircut. And she also has an entire sleeve of ink on her left arm. The banking industry is notoriously conservative; if a bank is showing images of young people with tattoos, you can bet it's not hurting their business. Rather, they're putting the welcome mat out for young account holders, saying in effect, "we are the bank for you."

Another example of contemporary imagery is showing the diversity of families today.



Very few of us live in "Leave it to Beaver"-land anymore. We have all kinds of family units and family is more broadly defined by most people as "who you love who loves you back." Many families are headed by single parents, divorced parents, gay parents, interracial parents, grandparents—even people who are not blood relatives. It doesn't matter. People want to see "the real real"—the people and families and images that look like they do. That's why brands such as Cheerios featured an interracial couple in their television ad last year. And HoneyMaid graham crackers has a campaign using no actors—only real people, with the tag line "A wholesome snack for all wholesome families." One of their families is a gay couple with their children and the tag line "Wholesome DAD-vertising." Again, these brands are not pandering to any group—they are simply showing diverse families—and they've had tremendous success with their campaigns.



We are rapidly becoming less of a homogenous, "one size fits all" group of people. We have, in fact, become many diverse groups of people. By thinking about differences among people, you can uncover their values, and that, in turn, will lead you to how to market effectively to them. It's about marketing to people not like you. Learning how to market to people who are not like you will help you grow



your talent, your business, your profits and your customer loyalty.

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responsible play. We provide \$1 million each year to the Michigan Department of Health and Human Services to help fund a statewide responsible gaming program that offers resources for people who do have issues with gaming. The responsible gaming safeguards that we've built into our online games provide yet another way for us to help players.

It also would seem that the interactive nature of the online relationship provides a much better platform to promote responsible play. You don't really have that two-way line of communication at Retail.

S. Bowen: Definitely true. We know so much more about our online players than we do about our retail players. We apply all the tools at our disposal to encourage people to play responsibly. For example, we offer online players the option to “self-exclude” themselves from playing online for various periods of time. Or they may permanently exclude themselves from playing online games. These are part of the responsible gaming safeguards for our online games that you won't find in any other form of gaming in Michigan. That's part of our effort to help players enjoy a healthy recreational relationship with the Lottery and its games.

You ran a fabulous TV ad' during the Super Bowl (https://www.youtube.com/watch?v=r0ae_f9xGwQ). At the end, it included the tag-line of “Knowing your limits is always the best bet.”

S. Bowen: I'm a strong advocate for responsible gaming. We are working to improve and expand our efforts to help players play responsibly. You can see that in our advertising and retail strategies and across all our products. I would also point out that dedication to the principles of RG does not inhibit sales at all. We consider RG as part of the player experience and that promoting RG is just another form of promoting Lottery. The bottom line, though, is that it's just the right thing to do.

You project your online sales to exceed 10% of total sales in FY 2016, your second year of online operation. And your registration is now more than 246,000. So, doing the right thing as regards to RG seems to be the best strategy for maximizing player engagement and sales. Those performance results must be ahead of plan?

S. Bowen: The online games performance is better than we projected at this time for a number of key metrics, including the number of engaged players, the length of play, and the frequency of vis-

its. We keep learning new things about what the players want, attracting players, and finding ways to promote the online games. Keep in mind that the Super Bowl ad kicked off three weeks of advertising to promote the online games.

What would you do differently if you were launching right now?

S. Bowen: The growth in mobile is much more dramatic than we expected. I would recommend that a mobile-first strategy would be a better way to go for the next adopters. In developing your strategy, you have to focus on and optimize for particular game-styles and devices. If you have to choose between optimizing for tablets, traditional online game-styles, and mobile, I would go mobile. Now we are allocating most of our online advertising budget toward mobile players.

I would also say that we are learning something new every day. We have an open mind and are just studying the results and trend lines, and using that data to identify the best strategic direction to carry us forward and optimize long-term growth. We have budgets and business plans, but everything changes so quickly that we are also flexible to adapt and change as we get new information. ■