

# *The Three Es* *for* *Business Profit*



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## The Three Es for Business Profit

What are the three Es that are essential to a profitable business?

The three Es all revolve around communication – the better the communication the better the result.

Poor communication leads to poor results and low profitability.  
Average communication leads to average results and average profitability.

**But great communication leads to great results and outstanding profitability.**

The three Es are:

- Exact
- Efficient
- Electronic

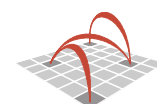
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Why are they so important? Why do they contribute so significantly to profitability?

This document will explain why mastery of the three Es is essential to the success of your business.



## The First E – ‘Exact’

There is a glut of information out there.

Any one who wants to interrupt our activities and get our attention needs to compete with the three million plus messages that pass us by each day.

### **Novelty can capture interest; so can Relevancy**

Anything that wants to keep our attention has to stand out from the crowd. It can do so either through novelty or by being relevant and of value to us.

For example, whilst I may not be interested in buying a new pair of Nike soccer boots, the latest tv advert featuring the cream of European soccer, with Eric Cantona as the Master of Ceremonies, certainly captures my attention through sheer creative force and my recognition and admiration of Cantona.

As an example of a relevant and valuable interruption, an unsolicited direct mail piece on property investments captured my interest recently because I happen to be interested in making a property investment in the near future.

But how often have we been interrupted from our thoughts and activities by some information that looked promising but sadly under-delivered? More times than I care to remember.

We are all busy, so the information that we wish to be interrupted by had better be useful to us if we are to keep its sender or originator in our ‘good books’.

But more and more the distribution of these messages is via three routes:

1. paid sponsorship (of a radio or tv commentary, feature or interview, for example)
2. printed press (newspapers and magazines)
3. word of mouth

## Chinese Whispers

But how often does information end up being 'coloured' or distorted along the path from the originator to us? Television news stories, newspaper and magazine journalism, anecdotal evidence: how much of the original information is left after the story has been 'chinese whispered' through to us? What biases, both conscious and unconscious, have been introduced?

As a business, you need to ensure that the message that leaves your company is the same one that arrives at its target destination – and all points in between.

## It's important to control the way that information is presented

The importance of getting our information in an unbiased state cannot be under-estimated. We are all time poor but we are not stupid – more often than we perhaps give ourselves credit we are able to figure out what the information's implications are for us, without the help of a biased (or even just human) 'middle man'.

If you are to avoid having your marketing message coloured or distorted by 'chinese whispers' then you need to ensure that you choose a delivery mechanism that reaches all possible parties, now and in the future, in an 'untampered' state.

You have taken a considerable amount of time to refine and hone the message that you want the market to hear. Why risk all of that effort and investment by not effectively and efficiently managing the delivery of that message?

The effective use of new technology (eTechnology) can deliver your unpolluted message, time after time, to the right audience at a time when they find it relevant and of value **to them**.

## Getting the information to exactly where it needs to be

A vital element to the success and profitability of your business is how accurately your messages reach your target audience.

Traditional media campaigns are expensive – a newspaper advert can cost thousands – and it might only reach a tiny fraction of your intended audience.

Similarly, tv adverts cost hundreds of thousands and reach millions, but of those millions how many are actually your target audience?

In order for your costs of information delivery to be as low per unit as possible, you need to deliver your information to exactly the right audience as efficiently as possible.

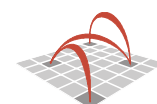
You want to avoid the 'chinese whispers' situation, of course, so it makes sense to deliver your message (your sales message, your marketing message, your customer service message, and so on) to exactly the right audience.

Powerful database mining techniques can help you do this if you already have an extensive database of prospects and clients. However, if you don't have the luxury of such resources, eTechnology can help you build a database quickly and efficiently. In this way you can begin to both target your message and deliver it more accurately.

### ***The implication for your business***

Being able to accurately and exactly target and deliver your message is key to reducing cost and increasing profit.

Through the smart use of eTechnology you can either mine your database of contacts quicker, or begin to build your database with more accuracy, because you know what sort of information you need to acquire.



## The Second E – ‘Efficient’

There are many different ways of delivering your marketing messages: direct mail; in-person sales calls; telephone; the annual report; above and below the line advertising; packaging; posters, and company stationery to name just a few.

Each involves a financial cost for both production and distribution. Are there ways of reducing these costs?

Certainly – eTechnology allows the production of words, sound and visual elements to be seamlessly integrated in a dizzying number of ways to achieve different ends. Each element can then be ‘re-purposed’ or re-used in a different way to try new marketing and content delivery approaches.

These are just some of the potential new technology outputs that your marketing messages and end-user documents can be distributed through:

- cd-roms
- pdf documents (an electronic format for storing and sending documents which ensures that the design integrity of your documents remain intact, irrespective of the end-user’s computer and printer configuration)
- website
- mobile phone technology such as sms and wap
- PDA (Personal Digital Assistant) devices such as a PalmPilot
- web-tv

The cool thing about many of these distribution mediums is that once the cost of producing one item is paid for (such as creating the original document), the cost of making a thousand or a million copies is negligible.

Imagine the saving if you could do away with 80% of the printing and posting costs of your expensive Annual Report, allowing instead

any interested party to download it from your website, or be sent it via email.

You will not completely get rid of the need for hard copies of your Annual Report as there will always be either a regulatory requirement or shareholders and investment analysts who like the 'feel' of a bound document in their hand, or they lack the facilities to download and print the Report off. But such a saving would definitely allow you to invest the saving in more growth-focused marketing and sales activities.

The internet, be it the World Wide Web where your website sits, or the greater part of the internet that allows for email transmissions, is a tremendously powerful and cost-effective distribution channel.

Once you have invested in the tools – such as a website or pdf-creation software – you have a licence to market your messages down the most efficient distribution media the world has ever known. For free.

It costs nothing to send email, once you have paid for access to the Internet. It costs nothing to have valuable information up on your website, once you have paid for the design and building of your site and its hosting. You can change your content on that website as many times as you like – you 'own' the space and you can do with it pretty much what you will.

Which allows you to push out your unpolluted marketing message, or your fact sheets, or your installation guides, to as wide an audience as you can attract.

And let's not forget that eTechnology can help us build a targeted, qualified audience of prospects and more rapidly turn them into clients, because they have in part already taken the first steps to building a relationship with you *themselves*, by visiting your website and finding out more about you and your service/product offerings.

### ***The implication for your business***

Using eTechnology you can **quickly and efficiently** update your prices, introduce new products and services, provide better service to your existing customers, generate new leads, position your brand and inform your stakeholders – all **at costs significantly less than traditional media allows.**



## The Third E – ‘Electronic’

Electronic media has virtually no distribution cost, which pleases CFOs and accountants.

It is easily and cheaply stored, and the storing of it takes up a minimal amount of physical space. Additionally, the content can be re-purposed and replicated *ad infinitum* with no degradation or distortion.

Using internet technology it can be distributed to an infinite number of end users at little or no per-unit cost.

Being electronic in nature it can be updated, revised, changed and re-sent as many times as you like, with no further cost other than the time taken to make the changes.

Being electronic it can be delivered in seconds anywhere around the globe, to as many end users as you like. If they have a computer and an internet connection, they can receive it.

Electronic media is no more expensive to create than traditional media. But once created it is extremely easy and cheap to store, duplicate and transmit.

### Consider this...

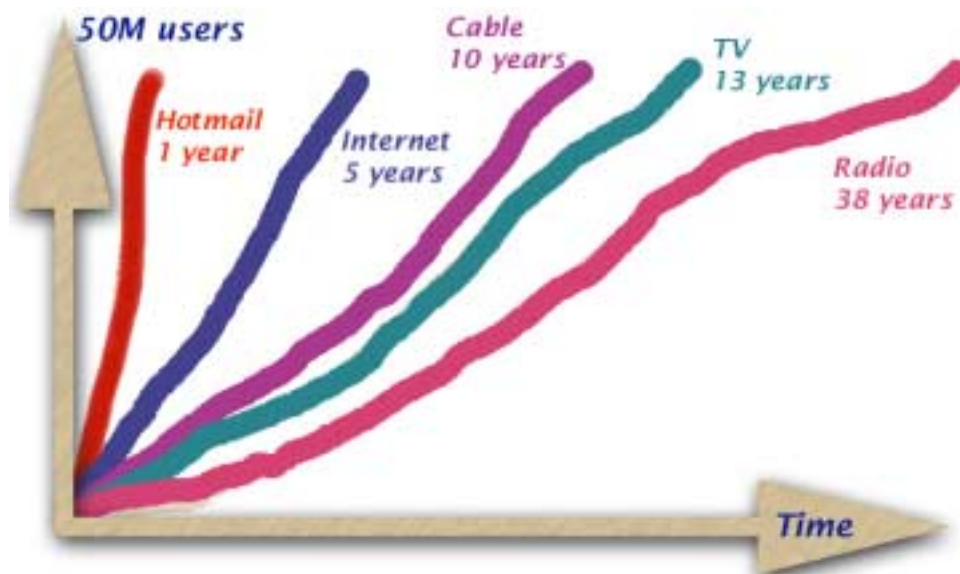
Business analysts like those at Gartner predict that the internet economy will be responsible for as much as 7% of GDP in Australia by 2005.

### The rise and rise of the internet

If one looks at the uptake of new technology, the internet shows a startling trend.

From the introduction of the radio in the US it took 38 years to reach 50 million users. It took TV 13 years to reach the 50 million viewer mark.

**It has taken the internet just 5 years** (see the chart on the next page).



**It took Netscape 3 years and it took Hotmail and Napster less than a year to reach 50 million users.**

Which ever way you want to consider it, take up and use of the internet has grown at a phenomenal rate and shows no sign of slowing down.

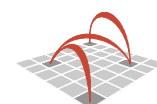
### ***The implication for your business***

Whatever you might personally think of the internet and its impact on business, that impact will only strengthen its hold as more and more businesses and consumers go online. So it becomes a business imperative to learn to 'play' successfully in the internet arena.

The transmission of content—be it a marketing message, a product fact sheet, an update on shareholder value-adding activities, an installation manual—is easy and cheap by comparison with current practices.

Information that is delivered exactly as it was created, information that is delivered efficiently and on-demand, information that is stored and delivered electronically is information that has value.

Information which can be delivered worldwide, instantly, via the cheapest form of mass distribution the world has ever known has a value to an organisation far in excess of its cost of construction.



Information which can be stored exceedingly cheaply, does not fade or distort through repetitive use, and can be rolled out again in a thousand different variations, is information that has a business retrieval and storage cost way below current practices and measures.

Information which is

- Exact
- Efficient and
- Electronic

is reshaping our business landscape.

You owe it to yourself, your company and your stakeholders to investigate how you can benefit from transforming your communications processes to incorporate this new type of information.

# Why You Might Want To Use eCommunication

Ask yourself the following questions:

- Are you interested in earning more 'points' with the Board?
- Would you like more visibility and recognition for your department and yourself?
- Would you enjoy having more personal recognition with your marketing peers?

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## ***Using eCommunication gives you three major benefits:***

### **1. It helps you manage the 'story-telling' process**

- You can reduce the likelihood of 'chinese whispers' corrupting your marketing and branding messages.
- It helps you reduce the likelihood of any mixed messages entering the prospect's mind.
- It helps reduce the likelihood of the spread of misinformation, particularly by competitors or disgruntled stakeholders.

### **2. It helps you reduce costs**

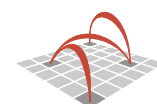
- You can enjoy a greater net margin, leading to increased profitability and a better bottom line (which CFOs, accountants and CEOs really like).

### 3. You can manage your brand(s) more effectively

- You are able to add 'consistency' to your recipe for any and all branding activities, knowing that you can re-use text and graphic elements in many different ways and styles, whilst still maintaining a consistent brand identity.
- Because of the 'Rule of 21/7', which states that a prospect needs to be exposed to a message 21 times before they acknowledge it and then a further seven times before they consider taking action, you are able to speed your prospect through the Rule quickly and efficiently.
- **Consistency of message facilitates action**

It is through the effective use of innovative techniques that reputations are made and results achieved.

The use of eCommunication tools allows you to achieve your business goals in an innovative way, as well as help you achieve your personal goals.



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### I help businesses communicate better for better results

Why not sign up for my free monthly newsletter that provides you with great hints and tips about using eTechnology to communicate more effectively with your customers, suppliers and prospects?

You can find the newsletter at:

[www.hopkins-e-strategy.com/newsletter.html](http://www.hopkins-e-strategy.com/newsletter.html)

### Hopkins Strategic Internet Solutions Pty Ltd

It is to meet the needs of internet-aware but not necessarily internet-savvy businesses that my consultancy was formed. Backed by more than a decade of international internet technology experience, along with key experiences in business and human relations, my consultancy will assist businesses to understand and capitalize on the tremendous opportunities that the internet offers them.

### Pass this eReport on.

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[www.hopkins-e-strategy.com/3E.pdf](http://www.hopkins-e-strategy.com/3E.pdf)

