CHAMPIONING STARTUPS THROUGH MARKETING EXCELLENCE

Executive Summary

There is great opportunity in today's entrepreneur-driven world. New companies, or startups, are created every day. Worldwide, there are more than 137,000 new companies launched every day. Not all of them succeed, but some of them do and go on to become an Uber, ZenDesk, Jet.com, Airbnb and so forth. Some of these startups have gone on to become ANA members, but many have yet to find the value in ANA membership, or even know the ANA exists.

Many major corporations, for example Google and Microsoft, have launched programs directed at startups. Their programs vary from taking on the form of an accelerator with financial support to providing non-financial resources and advice. No matter the format, they all have the added benefit of introducing a new company to products, services and knowledge that will benefit the startup for years to come. For example, Microsoft's BizSpark program provides startups with free access to Microsoft products, including Windows, Office and Azure. The value of getting a startup "hooked" on Microsoft products early in its inception can lead to future sales. Not to mention the goodwill that programs like these generate.

While the ANA has stepped into the startup foray with its work at CES and pre-conference sessions on "Startups Working with Brands," we have yet to fully embrace the startup as potential members. As such, we can do more to support the startup community by establishing a startup marketing program. This program will provide free ANA membership to qualified startups. Through this special membership package, startups will gain valuable marketing knowledge, have the opportunity to network with other startups and established brands, and showcase their startup as well as marketing approach.

Currently, there is not a significant resource available for startups to foster marketing knowledge. Various informal guides and articles exist to support startup marketing, but there does not exist a comprehensive resource, nor is there a well-established, expert in startup marketing.

Additionally, the ANA could improve its brand penetration and recognition among startups, some of which will become future leaders in the business community. A program of this magnitude could also provide a pathway to membership for startups.

Objectives

To foster the startup community through supportive programs and education.
To educate business leaders on marketing excellence.
To build a network of future potential ANA members.
To expand the ANA brand and build greater brand recognition.

Approach

The ANA should establish a marketing excellence program and membership level focused on startups. This program and subsequent ANA membership, would be free (with qualifications met and restrictions in place). Through this program, startups will be able to take advantage of a limited array of ANA resources and events at no cost. Some of these benefits may include:

- Networking: Access to MOCs, MOEs, Committee Meetings; ANA Member pricing for National Conferences
- Benchmarking: Limited access to MKC
- Membership: Reduced first-year membership dues (post free membership period)
- Special events: e.g., startup annual conference/MOC, reception at SXSW or Demo Day
- Content: Email newsletter, blog posts, other startup marketing content
- Education: Mentor program
- Recognition: Award program/competition

Project Management

In order to launch this program, we will first need to define "startup." As defined by entrepreneur Steve Blank, "a startup is a <u>temporary</u> organization used to search for a repeatable and scalable business model." "Temporary" is emphasized because a startup's goal is to cease being a startup, to graduate up to being a large business or to fail and move on to another opportunity.

We will also want to define a startup in the context of this program, i.e. eligibility requirements. Below are a few examples of parameters we can place to ensure this program is open to the correct applicants.

- Must be in first 5 years of business
- Have less than 10 employees
- Have a CMO or similarly titled senior marketing officer
- Have a revenue less than $1MM
- Have an annual ad spend less than $250,000
- Must be a client-side marketer

As the program is meant to foster and grow startups, eventually a startup will become a full-fledged ANA member or will otherwise "graduate." These requirements may need to be adjusted as we learn more about the startup community and the types of companies that apply.

Launch Plan

Initially, we will start small with a pilot program, allowing access to a maximum of 10 startups. In order to foster community and growth, as well as serve as a hub for events, we will limit participation to startups based in Northern California. Depending on response, we may need to expand to include other adjacent regions.

- **Year One:**
    - <u>First Month</u>
        - Establish application process, qualifications and requirements.
        - Build out 1-2 pages on ANA website to serve as Web presence for the program.
        - Identify startup marketing leaders in the targeted area.
        - Program startup marketing session at SXSW.
    - <u>Second Month</u>
        - Launch program application to targeted startups.
    - <u>Third Month</u>
        - Make final decisions on accepted startups.
        - Announce pilot program startups and overall program to trade press.
    - <u>Fourth Month</u>
        - Hold first startup marketing meetup, with programmed agenda. Hold two more meetups over the next eight months.
    - <u>Tenth Month</u>
        - Hold Startup Marketing MOC.
        - Launch mentoring program.
        - Launch e-newsletter.
- **Year Two**
    - Evaluate program to date.
    - Assess current group of startups to ensure program qualifications still met.
    - Bring on a new group of startups.
    - Host networking reception or demo day at SXSW.
    - Program startup marketing session at SXSW.
    - Applicable Year One tactics.

- **Year Three**
  - Launch startup marketing award program.
  - Applicable Year One and Year Two tactics.

Meetup Details

Essentially, these are smaller versions of committee meetings. They consist of 1-2 presentations/discussions; snacks; and networking. Plan is to hold three of these per year, mostly in Northern California or other highly concentrated areas. Meetups will be open to all ANA members, but focus will be on startup marketing. These meetups (which may need to expand to a committee structure at a future time) will serve as the key engagement mechanism for members in the pilot program.

MOC Details

Theme is Startup Marketing (or variation of); MOC is open to all ANA members; programmed and managed as typical MOC held in Northern California; hosted by ANA member (startup or former startup preferred). This MOC will serve as a "showcase" of startup marketing from pilot members and others.

SXSW Details

SXSW is the one event where startups from all over come to learn and network. It's important for the ANA to have a presence at SXSW and to be part of the conversation. For 2017, the focus at SXSW will be to submit marketing sessions for consideration as part of SXSW programming. Will also use SXSW to network with startups, help identify startups for the pilot program, and promote the pilot program. Future years, we will look to incorporate additional tactics, such as a networking reception, demo day, meetup, and so forth.

Evaluation

In order to ensure this pilot program works, there will need to be established metrics and evaluation points. The most telling metric for this pilot program is conversion, i.e. when a startup company enrolled in the program becomes a full-fledged member of the ANA. However, this metric is only measurable at the end of the pilot program. As such, there should be other measurement points, including annual quality surveys and quarterly evaluations of engagement by startups. We will monitor the pilot program over 3-5 years, adding new startups each year.

Budget

There are "soft costs" associated with this program that are hard to identify fully as they include attendance at events, access to MKC, staff time and so forth. For the purposes of this business plan, I have only included "hard costs" that are identifiable. Additionally, I have only included the budget for year one of the program.

Estimated Meetup Cost (x3): $1,500 (Lunch, Staff Travel, Shipping, Printed Materials)
Estimated MOC Cost: $7,800 (Breakfast, Lunch, Staff Travel, Shipping, Printed Materials)
Estimated SXSW Cost: $5,000 (Pass, Staff Travel)

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October 25, 2016

Objectives

- To foster the startup community through supportive programs and education.

- To educate business leaders on marketing excellence.

- To build a network of future potential ANA members.

- To expand the ANA brand and build greater brand recognition.

Will achieve these objectives through a pilot membership program that provides ANA membership, resources, and events to new startup companies.

ANA

Approach

- Membership: Free membership period (3 years)
- Networking/Events: Access to MOCs, MOEs, Committee Meetings; ANA Member pricing for National Conferences
- Benchmarking: Limited access to MKC
- Special events: e.g., startup annual conference/MOC, reception at SXSW or Demo Day
- Content: Email newsletter, blog posts, other startup marketing content
- Education: Mentor program
- Recognition: Award program/competition

Launch Plan – Year 1

- First Month
  - Establish application process, qualifications and requirements.
  - Build out 1-2 pages on ANA website to serve as Web presence for the program.
  - Identify startup marketing leaders in the targeted area.
- Second Month
  - Launch program application to targeted startups.
  - Meet with startups that have applied.

- Third Month
  - Make final decisions on accepted startups.
  - Announce pilot program startups and overall program to trade press.
  - Launch mentoring program.
- Fourth Month
  - Hold first startup marketing meetup, with programmed agenda. Hold two more meetups over the next eight months.
- Tenth Month
  - Hold Startup Marketing MOC.

Evaluation

- Evaluate program each year, as well as program participants

- Key Participant Metrics
  - Conversion (over length of program)
  - Quality/Content ratings per event
  - Annual satisfaction survey

- 360 Evaluation
  - Does company still qualify for membership?
  - Engagement level of company

Estimated Year 1 Budget

- Estimated Meetup Cost (x3): $1,500 (Lunch, Staff Travel, Shipping, Printed Materials)

- Estimated MOC Cost: $7,800 (Breakfast, Lunch, Staff Travel, Shipping, Printed Materials)

- Estimated SXSW Cost: $5,000 (Pass, Staff Travel)

Thank you!