

Marketing and Selling in the Human Resource Marketplace: Winning Strategies and Tactics

HRmarketer.com
a service of fisher vista

P.O. Box 10 Capitola, CA 95010

831-460-9700

Info@hrmarketer.com



Table of Contents

Abstract	2
Introduction.....	2
Challenges and Opportunities of the Human Resource Marketplace: Space, Trends, Buyers	3
a. The Challenge	
b. The Importance of Marketing	
c. Market Players: HR Buyers, Suppliers and Content Communities	
d. Size of Human Resource Marketplace Buyers	
e. Classification of HR Marketplace Suppliers	
HR Trends, Discourses, and Pains.....	7
a. The War for Talent	
b. A Seat at the Table	
c. Metrics, Measurement, and Demonstrating Return	
d. Human Resource Outsourcing	
e. Organizational Change	
f. Increased Use of Technology	
HR Buyers: Overview of HR Buyers, and Their Demographics	8
a. Demographics	
b. The Human Resource Marketplace: Targeting Buyers	
Solutions for Marketing to HR: Best-Practices Marketing.....	11
a. Develop a Full Sphere of Influence	
b. Influence the External Influencers	
c. An Integrated Approach to PR and Marketing	
HRmarketer.com supports Winning Strategies and Tactics	17
a. Information Is Half the Battle	
About HRmarketer	19
Appendix.....	20
a. Software / Services Companies and the Markets / Buyers They Serve	
b. Distribution of HR Buyers Based on Title	
c. Distribution of HR Buyers Based on Company Size	
d. HR Pillars	

Abstract

- Intended audience is any company that sells products or services to the human resource department and / or through employee benefit brokers
- Assessment of HR marketplace, buyers, opportunities, trends and how to capitalize on them
- Marketing strategies and tactics that will put your firm in front of the competition
- Integrated approach to marketing and public relations that will generate more leads and sales
- Value of outsourcing administrative marketing and public relations activities so you can focus on execution

Introduction

The human resource (HR) marketplace is poised for significant growth in the next 10 years. Companies around the world are increasing their investment in HR infrastructure. They are not only becoming more attuned to the benefits of recruiting, hiring and retaining top talent, but they are also buying more products and services to help them realize the best return from their people and investing in automation to streamline the delivery of these services. As the market for HR products and services expands, so does the competition.

For the purposes of this white paper, we define the HR marketplace as the sum of the markets served by HR software and service providers as well as by employee benefit providers. We estimate the size of this market to be over one trillion dollars annually. To be sure, the value of this market has not gone unnoticed; there are currently tens of thousands of vendors courting the HR dollar. This means that vendors of HR products and services must execute with excellence in sales and marketing to secure and defend a meaningful portion of the marketplace. Excellent execution requires the appropriate resources, as well as well-crafted strategies and tactics for customer selection, acquisition and retention.

Excellent execution requires well-crafted strategies and tactics for customer selection, acquisition and retention.

This white paper is for these very companies that provide products or services to the HR marketplace. It offers a 10,000-foot view of the HR marketplace, including opportunities and trends and how to capitalize on them. Building off primary and secondary research, the HR buyer and market are profiled and segmented, clearly showing the abundant opportunity offered by this market segment.

This lucrative opportunity also represents a challenge—specifically how to effectively capture the opportunity through effective sales and marketing. This white paper addresses that challenge and functions as a how-to guide for marketing to buyers of HR products / services and outlines the strategies and tactics that will produce results. These best-practice strategies and tactics draw from experiences of small, medium and large HR suppliers as well as industry insiders and marketing professionals who have found ways to increase market visibility and generate sales leads through innovative yet fundamental marketing and public relations campaigns. Lastly, this white paper describes how HRmarketer.com, the leading on-demand marketing solution for the human resource marketplace, provides aggregated marketing and public relations resources that enable suppliers to focus on execution of these strategies and tactics.

Challenges and Opportunities of the Human Resource Marketplace: Space, Trends and Buyers

The Challenge

HR executives are gaining more power within their organizations, are more involved with strategic business decisions and are increasingly becoming a gatekeeper and / or purchase influencer for other corporate services (i.e., IT). They are actively seeking *information* to help them build processes and best practices and the strategic importance of their position grows along with the pressure to demonstrate measurable results. Any company that can help HR executives and professionals meet their strategic objectives while also providing a reprieve from the constant pressure of their roles is on the verge of a golden sales opportunity. But having a quality solution is rarely enough to ensure success, especially in a highly competitive market like HR products and services.

The universal challenge for companies has always been identifying a market opportunity ahead of the “gold rush”—and developing a plan to capture the opportunity in an efficient and effective manner. Great opportunities exist for companies selling into the HR marketplace, but many suppliers struggle to effectively market to this space. The market is growing, but it is also crowded and maturing; now is the time to seize the opportunity to capture, grow and defend your position.

HR executives are gaining more power within their organizations, are more involved with strategic business decisions.

The Importance of Marketing

Success in the HR products and services market is the result of excellence across the multiple departments that comprise your business. However, no single ingredient of success is more often overlooked than sales and marketing. Marketing’s importance is further validated by the fact that as

technology becomes increasingly accessible and affordable, HR suppliers are finding it increasingly difficult to sustain any significant operational advantage. This means that for most HR suppliers, increasing economic value will come through growing their market share and / or charging (and getting) a higher price for their services relative to the competition – both of which require effective marketing.

Persuading the HR executive to invest in your product or service requires a carefully crafted approach to delivering your marketing messages. The end result of such an approach is multiple positive *impressions* on the buyer from several different fronts. Therefore, influencing the several tight-knit communities and organizations (content communities) that have an influence on the HR buyer is of paramount importance.

Market Players: HR Buyers, Suppliers and Content Communities

Accessing influential HR content communities must be done in ways that have the most direct impact on your business while also servicing the needs of the HR buyer and the communities that support them. A symbiotic relationship exists between content communities (i.e., magazines, Web sites, professional associations, events) and vendors. The goal of these communities is to provide relevant content to buyers and / or distributors of HR products and services. This content attracts a demographic that is compelling to advertisers. Much of this content comes from suppliers, as they are the economic engine that drives innovation in the marketplace. This relationship ultimately provides value to HR buyers who are actively seeking information to help them attain operational excellence. Therefore, an effective marketing strategy must take into account ways to leverage the needs and opportunities presented by this maturing market and its hunger for information. But, keep in mind that while the market is growing, it is also becoming crowded. Consolidation is also increasing competition as large national HR suppliers are offering end-to-end solutions and penetrating markets that were once the domain of smaller, regional suppliers. Thus, any marketing strategy must also consider differentiating the value of the message from other vendors clamoring to gain the attention of influencers and buyers.

Influencing the several tight-knit communities and organizations that have an influence on the HR buyer is of paramount importance.

Size of Human Resource Marketplace | Buyers

There are literally hundreds of thousands of potential HR buyers, from large companies searching for better results in streamlining their internal HR services to smaller companies building out the basic human resource capabilities in-house or through outsourced providers.

According to recent census data (see Table 1 below), there were over 1.2 million dollar private-sector firms in the USA employing at least 10 employees. These firms employed a combined 102 million workers. Considering that most firms with 10 or more employees purchase at least one HR product or service,

opportunities exist for a wide variety of suppliers. An estimated \$785 billion was spent on employee benefit products and services alone in 1997 (Thomas Weisel Partners). And according to a newly released IDC study focused on services alone, worldwide HR “services” spending will experience 9.6 percent growth through 2009 to reach \$113.4 billion. Add the component categories and you are looking at a one trillion dollar market.

Table 1:

Marketplace of U.S. Companies

Company Size	Total Firms	Total Employees
10 to 19 employees	616,064	8,274,541
20 to 99 employees	518,258	20,370,447
100 to 499 employees	85,304	16,410,367
500 employees or more	17,367	57,677,735
500 to 999 employees	8,572	5,906,266
1,000 to 1,499 employees	2,854	3,474,455
1,500 to 2,499 employees	2,307	4,419,771
2,500 to 4,999 employees	1,770	6,063,596
5,000 to 9,999 employees	934	6,456,068
10,000 employees or more	930	31,357,579
Totals	1,236,993	102,733,090

Source: USA Census Bureau, 2001

Companies have unique needs and characteristics according to where they reside in this spectrum of size, as do the buyers within these companies. Across this spectrum we can state that generally the human resource function within an organization is responsible for all the practices and processes that impact the company’s most important asset—their employees. From this general vantage point, a more defined segmentation then emerges.

Classification of the HR Marketplace | Suppliers

To explore the segmentation of the human resource function, flipping the vantage point to the myriad of suppliers who are selling into the space is useful. Also, purveyors of HR products and services should understand the taxonomy of the industry so that they can determine their positioning against both their direct and indirect competitors. While admittedly there are many ways of categorizing the human resources marketplace, the simplest and most logical method to organize the marketplace is within the following HR pillars¹:

¹ See full list of HR Pillars in Appendix, p. 22

- **Recruitment and Staffing:** These organizations provide products and services to help employers search for and hire new employees
- **Compensation / Payroll:** Once the employee is hired, employers must compensate them
- **Employee Benefits:** In addition to compensating employees, employers offer various benefits ranging from traditional health and welfare benefits to worksite / voluntary products
- **Talent Management / Employee Relations:** Includes all the human resources services related to managing the individual once they are hired
- **Training and Development:** Employers invest in training and developing their employees
- **Compliance:** Employers must make sure they are compliant with all the regulations and other laws

In addition to these specific human resources pillars, it is also important to highlight services that are cross-functional in nature and relate to one or all the HR pillars:

- **Consulting Services:** This cross-functional category includes the thousands of consulting firms that can help HR departments with one or all aspects of human resources management and process improvement
- **HRIS / HRMS / ERP Solutions:** At one time, this might have been considered a separate pillar within HR, but today technology is integrated with and impacts all aspects of HR – from applicant tracking to eLearning
- **Outsourcing:** Any and all aspects of HR can be outsourced. According to research by Gartner, Inc., 80 percent of companies now outsource at least one HR activity and that number is swiftly growing. For this reason, we do not consider outsourcing as a functional pillar within HR, but rather cross-functional

The best companies within these pillars drive innovation and excellence in products and services according to their field of specialty. The best companies are also able to engage prospects, customers, industry influencers and content communities through their marketing strategies within the context of general trends and industry developments.

HR Trends, Discourses and Pains

HR products and services represent a growth opportunity due to the modern dynamic of the labor market, the now demonstrable impact of human resources on corporate performance and the increasing status and purchasing power of HR executives and other HR buyers. Now more than ever, HR-related initiatives closely align with the overall corporate strategy. The key trends listed below should be monitored along with others according to a company's market focus.

The War for Talent

McKinsey & Company has long espoused the seemingly perpetual “War for Talent,” fueled by globalization and a projected labor shortage for skilled workers. As a result, companies are building their portfolio of solutions that will help them find, hire and keep top-notch talent.

A Seat at the Table

Surprisingly, the notion that human capital has a direct and measurable impact on corporate performance has only recently entered the mainstream corporate consciousness. HR professionals are rapidly increasing their status within the modern corporation, earning a new seat at the executive table. The emergence of HR as a measurable force on the bottom-line has led to HR executives becoming powerful buyers. HR professionals have moved from the social committee to the revenue committee and are spawning diverse specializations, a sign of increasing significance and investment. HR executives are now spending weekends with the CEO!

Metrics, Measurement and Demonstrating Return

Metrics are moving into the mainstream of the human resources community. Visionaries like Dr. Jac Fitz-enz have provided benchmark processes and metrics to innovative companies for measuring the impact of this resource. HR executives in large organizations are the intermediary between innovation in this area and corporate strategy. It should not be surprising then that status and purchasing power are accompanying this shift. Human Resource Outsourcing (HRO) also accelerated the development of metrics by providing a relatively common set of processes and metrics for the HR department.

Human Resource Outsourcing

HRO is itself a trend—outsourcing to organizations that provide expertise in the space continues to gain momentum, whether its BPO providers or assessment vendors. Outsourcing non-core components is increasingly popular with larger organizations because it allows them to focus on their core competencies. In addition to a more defined focus, outsourcing different aspects of HR assures that employees are being taken care of to the maximization of every dollar spent.

Organizational Change

HR professionals increasingly find themselves reacting to the continual pace of change in the organization. Growth, acquisitions, workforce reductions, employee relations and workforce turnover, are a few of the topics that keep those in HR busy day to day. While responding to these ongoing forces, HR walks a delicate path to initiate and drive strategic change within the organization. This represents both opportunities and challenges to the HR vendor.

Increased Use of Technology

More companies are leveraging technology to drive innovation than ever before. Technology trends important to HR are the increased use of employee self-service tools, process automation and workforce intelligence. Increasingly, HR vendors deal with HR information systems and management systems specialists (IT).

HR Buyers: Overview of HR Buyers and Their Demographics

As companies recognize the competitive advantage of attracting, developing and retaining top-quality employees, HR is attracting a new breed of practitioners armed with business degrees and focused on the bottom-line. These HR professionals are charged with doing more with fewer human and financial resources. To handle the challenge, they need more and better HR-related tools—including software, communications technology, recruitment / staffing solutions and outsourced services. These needs will contribute to a greater demand for marketing effectiveness within this unique space.

The leading association of HR professionals—the Society for Human Resources Management (SHRM)—boasts nearly a quarter of a million members around the world, but HR Professionals are not the only buyers of HR products and services. This number increases significantly when combined with public sector personnel directors, procurement departments, small and mid-sized business owners, brokers and professionals in other areas, such as IT and finance, who play a key role in influencing human resources products and services purchasing decisions.

Demographics

What should you expect to find when you market to HR professionals and HR buyers? For the answer, we analyzed data gathered from leading software and services vendors. The data was collected over a 12 month period from marketing campaigns targeted at HR executives. Due to the volume, quality and age of this data, we can make certain business-validated observations about the typical HR buyer:

- Large companies have a multitude of potential buyers, while smaller companies have one or just a few.
- High-level executives are as likely to respond to marketing campaigns as managers or staffers – 50% of the respondents in this data sample were director level or higher.
- Geographically, 40% of HR buyers hail from five states: CA, TX, NY, IL and PA.
- HR executives are evenly distributed between genders—at the manager level and below they are more likely to be female. (*See Figures 1 & 2 below*)
- As with much of corporate America, the top-level positions continue to be occupied by more men than women. On the whole, the popular perception of HR as predominately female does become apparent at the staff and management levels.

- The demographic split should be watched as it will likely evolve over time and may impact the way some vendors market their services. For the marketing professional targeting HR buyers, it is worthwhile to note how these demographics match the make-up of your buyer(s).

Figure 1:

Gender Distribution of the HR Buyer

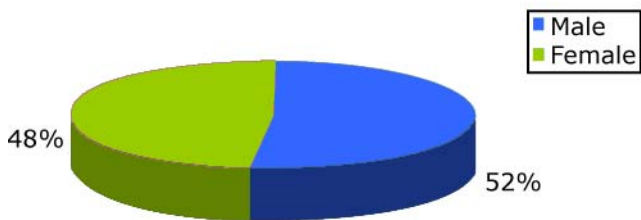
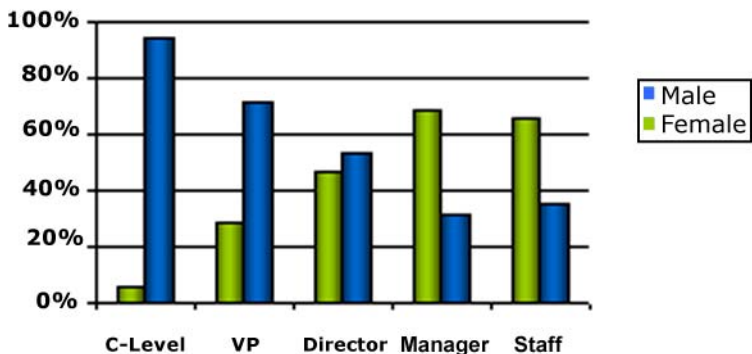


Figure 2:

Gender Distribution of the HR Buyer by Title



The Human Resource Marketplace: Targeting Buyers

In a market full of potential targets within small, mid-size and large companies, the challenge lies in pinpointing solid prospects, reaching actual decision-makers in organizations (see Table 2 on the next page) and closing the sale.

Before HR buyers can be targeted effectively, it must be understood how the HR function is organized in the targeted organizations. Depending upon on a company’s size and scope, the target may be the business owner who handles HR functions on their own, an independent employee benefits broker who represents the small business owner or one of a dozen specialists in a large HR hierarchy.

Small firms are more likely to handle HR activities in-house; one Professional Employer Organization estimates the total penetration of its available market by all participants to be between 3-5%. This supports the notion that today most small firms have the “do-it-yourself” mentality. Mid-size and larger firms are more open to outsourcing selected functions, such as payroll and benefits. Small firms are also less likely to have a full-time HR person while mid-size firms will typically have an HR generalist and large firms will have several specialists reporting to powerful HR executives who manage a complex and comprehensive HR infrastructure.

Table 2:

Company Size	Small Employers (< 50 Employees)	Midsized Employers (51- 999 Employees)	Large Employers (1,000+ Employees)
HR Department Structure	<ul style="list-style-type: none"> • Less formal HR department, with HR often a non-core function of an operations or office manager position • Business owner typically makes all HR-related decisions • May contract with outside HR services firm (i.e. payroll vendor, PEO) for all HR needs • Buying process varies, often with conflicting internal forces between primary purchaser and influencers and less structured 	<ul style="list-style-type: none"> • More formal HR department with HR generalist and mix of in-house and outsourced solutions • Greater level of delegation from senior management than with small employers • Structured, committee based buying process emerges, with a cohesive strategic direction 	<ul style="list-style-type: none"> • Formal, hierarchical HR department including specialists for primary HR functions such as compensation and benefits, recruitment, training and compliance • Can be highly decentralized—purchases made at all levels

Note: See Appendix Table 3 on page 20 for a complete profile matrix of the HR buyers and influencers.

Understanding who does what and where your contacts stand in the chain of decision making is critical to getting your message through—and to making the final sale. In larger organizations, vendors must account for the director or specialist responsible for the product or service that will be used. For example, common areas of HR specialization to target in large organizations include:

- Compensation and benefits
- Compliance
- Community relations
- Crises communication
- Diversity
- Employee recruitment, training and development
- Health and wellness
- Labor relations
- Legal issues, including immigration
- State and Federal regulations, such as overtime and new laws
- Workplace safety, including domestic violence
- Sexual harassment, including training and responding to complaints

Target the ultimate decision maker first and gain executive sponsorship early before getting “tapped down” to the specialist level.

The type of HR product or service being sold also dictates the target. For example, a CEO and senior IT executive may play a role in purchasing a new HRIS application or selecting a Human Resource Outsourcing firm but have no involvement in the selection of the company's new dental plan or EAP. In fact, for some HR products and services, even the VP of HR may not make the final buying decision.

Solutions for Marketing to HR: Best-Practices Marketing

Develop a Full Sphere of Influence

HR vendors should go through the exercise of identifying and naming each person within their target organizations by title and function who can influence or ultimately decide to purchase their product. If unsure of where to start, marketers can ask sales people whom they had to sell to for their last deal. Vendors should also conduct a formal win / loss survey of all of their current customers and those who have said no or stopped being customers and ask who made the decisions to buy, keep, or leave them.

The result of this exercise should produce a map of contacts to reach for both the marketer and the salesperson. The list can be a single person or title (VP of HR), or it can represent a committee comprised of the:

- Specialist or role player
- Executive sponsor
- CEO, CFO, COO
- Business owner
- External consultant

When selling into HR today, it is wise to quickly find a champion and build a coalition through that person. In a small to medium-sized company, target the HR generalist regardless of what product or service. In large organizations, the specialist or director may be two to three levels away from the vice president or senior vice president who can actually make a purchase decision. One strategy is to make the first "sale" with a specialist, which may be the easiest of many to be made before actually closing the deal. Because these "specialist champions" may pitch the sell by themselves, it's critical to provide in-depth support and top-quality sales tools. Marketing materials must educate, inform and convince this specialist and arm him / her to mount an effective internal marketing campaign to multiple supervisors. However, if the product or service being sold requires a significant investment and buy-in from multiple departments, it probably makes sense to start with the most senior executive that has influence over HR purchase

Magazines exist for one reason: to package a demographic and sell it to advertisers.

decisions. In a small or medium company, this is probably a board member, the CEO or some other C-Level executive. In a larger company, this is generally the most senior HR executive. Inroads may also frequently be established with other executives like CFOs or COOs. Target the ultimate decision maker first and gain executive sponsorship early before getting “tapped down” to the specialist level for more tactical requirements gathering. In either case, you need to generate positive impressions at every level of the committee or buying coalition.

Influence the External Influencers

In short, to succeed in the HR marketplace and to stand apart from your competitors you must “influence the influencers.” The tactic works because individuals at every level of HR respond to best-practice and thought-leadership information. The industry is accelerating rapidly and to be an effective HR practitioner one must consume information continuously. And remember, HR buyers are under increasing pressure to do more with less and demonstrate strategic value or face being outsourced.

External industry influencers are found in many places, from companies to magazines to professional associations and more. Many tightly knit communities wield a powerful influence over HR professionals and buyers in a majority of companies.

People who advance the discourse of industry best-practices, strategy and tactics occupy roles as diverse as consultants, independent thought-leaders and industry analysts. Industry celebrities exist for nearly every specialization, from recruiting and staffing to benefits and payroll. Industry resource websites are beyond count. Journalists and publishers of industry publications also often play the role of trusted advisor to potential customers, providing sources of inside information. Generalist groups, industry and position-specific associations and trade shows (over 1,000 each year) demonstrate a richness and scope that often confounds marketing professionals who often spend precious resources attempting to keep track of this information.

Influencing the influencers through an effective marketing public relations strategy, combined with efficient demand generation, is a more effective way to build recognition.

To put this tactic to work, first build a profile of the information usage characteristics of both the buyer and internal influencers who reside within your target company. Specifically, identify the content communities in which buyers and influencers participate as members, readers, or attendees. As an experienced marketer opined, “Magazines exist for one reason; to package a demographic and sell it to advertisers.” While more can be said of professional associations such as SHRM and others, they nonetheless exert a strong and continuous influence over the HR buyer. When matching your perception of your target buyer to available marketing channels, you’ll likely find a comprehensive strategy will

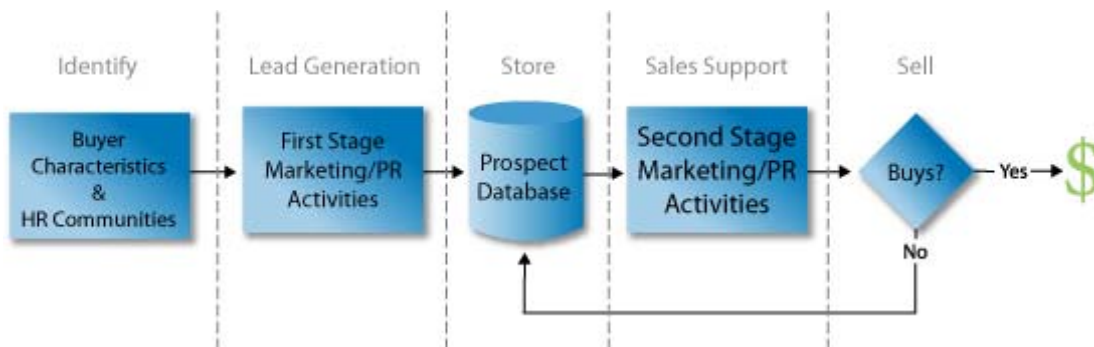
include major communities that focus on general HR and smaller communities that focus on the segment within HR that you service. Influence these influencers and you can better reach your HR buyer (and with more credibility).

An Integrated Approach to PR and Marketing

Market saturation in HR software and services is low and the technology-adoption cycle has yet to peak. Unlike the IT buyer for example, who is bombarded with all forms of marketing, traditional marketing still heavily influences the HR buyer. Value-added marketing activities, such as promoting an informational white paper or Web seminar are proven and market-tested tactics. Of course you need to find ways to innovate and stand out, but traditional meat-and-potatoes or best-practices marketing is extremely effective in the HR product-and-services sector and a great keystone for a comprehensive sales and marketing strategy.

You repeat your message because most prospective buyers need to be exposed six or more times before they actually recognize your company and take action.

Broad-based brand advertising is not an effective strategy in the HR product and services segment, especially when used exclusively. One reason is there exists no single medium that can effectively deliver your message to the marketplace. Remember, SHRM has 200,000 members, yet there are millions of potential HR buyers. Influencing the influencers through an effective marketing public relations strategy, combined with efficient demand generation, is a more effective way to build recognition with your target buyers and move them towards a purchase decision. Effective marketing is about getting your message in front of the *right* people, not the most people.



The hallmark of great marketing is results. Do it right and you end up selling more products to more people more often—to paraphrase Sergio Zyman, former chief marketing officer for the Coca-Cola Company. The first goal of marketing is to identify your target buyer and then to generate the appropriate volume of qualified sales leads. The only way to consistently generate quality leads is to expose a sample of your target message to repeated impressions of your value proposition. Repetition combined with

contextual relevance (especially when the message is relevant to a genuine market need) is the only formula for success in marketing. Get the right message in front of the right person more times than the competition and you'll win most of the time.

You repeat your message because most prospective buyers need to be exposed six or more times before they actually recognize your company and take action. This law of repetition helps explain why companies that send an occasional press release or place a single ad in a trade journal are wasting their money.

Even though prospects hear your message multiple times, they also need to experience it in multiple ways. Some people are compelled by images; others prefer to read. Some of your prospects will want all the details; others will respond to a high-level summary or a more emotional appeal. By using multiple approaches and media, you'll broaden your ability to get your point across and make the sale. The following are marketing channels that may be utilized to send your message multiple ways and to generate positive *impressions* on the buyer from several different fronts:

Direct marketing

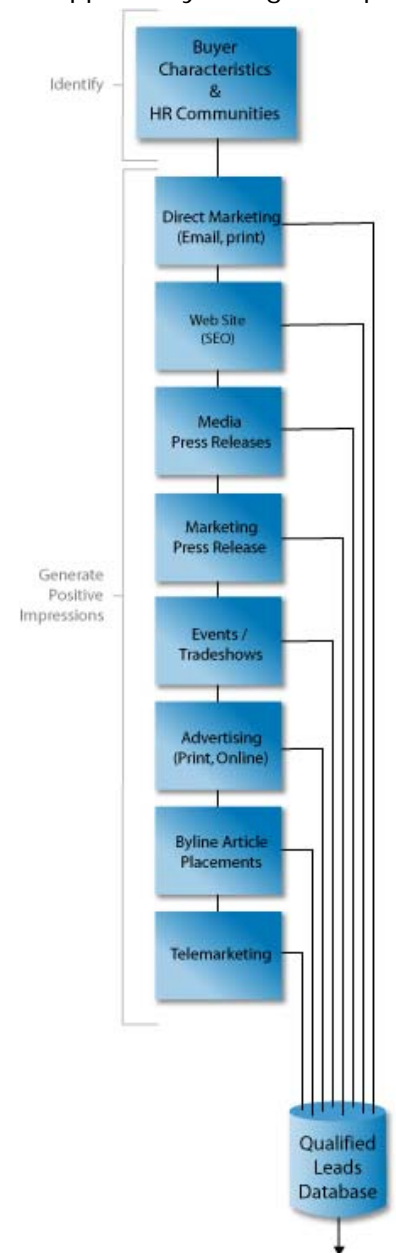
Use a current, targeted list and contact prospects by print and / or email at least once a quarter. Feature compelling offers like a free white paper with solutions to up-to-the-minute industry challenges

Corporate website, SEO and online presence

Use your website to advance your position as an industry leader by listing those free white papers and posting regular news releases. Optimize your website with key industry terms so you are readily found by the searching HR buyer

Events and trade shows

Exhibiting or participating at key industry events and expos is still a great way to meet prospective customers, forge stronger relationships with current clients and stay up-to-date with the competition. Knowing which events to participate in is key. A high-end event where you essentially buy face-to-face time with CEOs and VP's of HR may not be an appropriate investment if you sell a HR product or service where these individuals do not play a purchasing role. It is valuable to do research and determine which events will be most likely to impact the bottom-line



Teleconferences and Webinars

Industry thought leaders and A-list speakers are always looking for opportunities to present to a good audience. Joint-promotion programs deliver your list of prospects to a featured speaker (a win for the speaker) and your company gains some of the thought-leadership cache of your featured speaker (a win for your company).

Telemarketing

Follow up those responses to whitepapers and webinars and the leads you capture from industry events and trade shows with a professional, courteous and trained sales staff.

Advertising

Advertising still works—and it doesn't have to be expensive. A simple listing in a product directory is a minimal investment. Depending on your product, other forms of advertising, including pay-per-click ads, can be a good addition to the mix. Again, researching to determine where the dollars are best spent is extremely valuable.

Public relations can be a very effective part of a comprehensive marketing program, but it can't stand alone. Many companies targeting the HR industry confuse traditional PR—focused on raising visibility; investor, community and corporate relations; “damage” control; and of course creating a positive buzz around a celebrity, book or event—with marketing PR, or what we like to call “media visibility” marketing, which is focused solely on generating leads for the sales team. Effective marketing PR complements your other marketing efforts. Gaining targeted media visibility should always be an integral part of your marketing plan. However, PR is much more than fishing for possible media placements—it helps build your brand and generates sales leads. Keeping a consistent stream of news flowing from your company tells prospects, customers, competitors and the media that you mean business. Consider these proven tactics:

Press releases and media pitches

Your goal is to increase your visibility and credibility in print and online. Secure media placements in the publications your buyers read and on Internet news portals and search engines to reach prospects conducting product research online. Monitoring query services can help you identify media placement opportunities. Sending your press releases to an up-to-date media list is essential to securing visibility in the print trades. However, it is equally important to send these releases to the Internet via wire services like HRmarketer's Direct2Net. Increasing numbers of HR buyers begin their product searches on the Internet. The more “content” you have on the Internet, the more likely you will be found and the more likely your own site's SEO will be improved

Speaking engagements

Speaking at key industry events helps establish your company as a thought leader and increases your visibility with current and potential customers

Bylined articles

An 800 to 1,000-word bylined article in a key industry trade publication generates awareness and respect. You can reuse the content in reprints or as an offer in an email campaign

White papers

Create longer reports that share your insights on current industry challenges. Make these white papers available online or through email campaigns

Special events

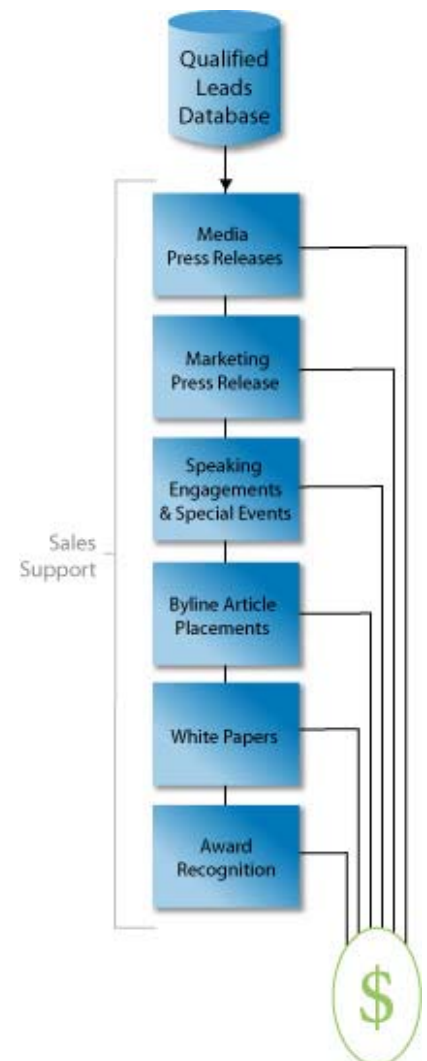
Host webinars or conferences for current customers or key prospects

Award recognition

Winning industry or community awards positions your company as an innovator and leader

Despite the predictions of some marketing gurus, the fundamentals of marketing and PR haven't changed much over the years—and they don't vary much based on size of the company or the industry you're targeting. Although costs of execution have risen, the basic blocking and tackling of marketing works as well as it did 50 years ago. Even the newest tools—blogs, search engine optimization, etc. are variations on a theme. Webinars are just the latest kind of special event; pay-per-click is just a new form of advertising. The core elements—strong product, clear benefits and a compelling message repeated until it sticks—are still in force.

Success in the HR marketplace is the result of excellence across the multiple departments that comprise your business, including sales and marketing. A membership to HRmarketer.com supports excellence in marketing execution.



HRmarketer.com Supports Winning Strategies and Tactics: Your Cost Effective Best-Practices Partner

Information Is Half the Battle

Success in marketing is not a function of doing a load of administrative work and original research to identify the myriad communities and marketing channels discussed herein. This work has already been done for you so you may concentrate on strategic planning and execution.

HRmarketer.com, used by hundreds of leading HR suppliers, allows one to synthesize, search and sort information databases covering HR publications, editorial opportunities, speaking opportunities, associations, awards and analysts, taming the beast of information overload for your marketing team. Creating and maintaining accurate marketing information is labor intensive. One option is to buy the information one needs. HRmarketer provides current information that suppliers can count on for a few hundred dollars a month, freeing you and your staff for more strategic, high-value activities.

If the HR marketplace is an exclusive club, HRmarketer is the VIP pass, providing access to all the most important influencers

HRmarketer also helps HR suppliers keep abreast of the trends and developments. If the HR marketplace is an exclusive club, HRmarketer is the VIP pass, providing access to all the most important influencers. The search and sort functions allow you to zero-in on just the right mix of community influencers to reach your buyer. Specifically, HRmarketer combines a database of marketing and PR information with automation, campaign management and business intelligence tools. There are six components to HRmarketer:

1. Informational Databases

HRmarketer's informational databases track and maintain information on human resources and related associations, publications, journalists, editorial calendars, byline article opportunities, advertising and promotional information, list rental sources, analysts, trade shows, speaking opportunities, exhibiting fees, sponsorship opportunities, award competitions, online buyer guides and more. Data is also easily segmented by sales channel including resources targeted at HR decision makers at public and private employers, unions, employee benefit brokers and niche industry segments like IT, healthcare, retail, food services, gaming / entertainment and others. Members may also post their own industry experts and webinars on a highly visible Web directory accessed by the media, conference organizers and thousands of human resource decision makers.

2. Press Release Distribution Tools

Send unlimited press releases to journalists covering the human resource and workforce industry—including trades, eNewsletters, local business journals, national newspapers and business periodicals. Releases are also distributed to Internet search engines and news portals with guaranteed placement on Yahoo!, Google and hundreds of other search engines.

3. Marketing Planning and Campaign Management Applications

Helps you plan and organize your marketing and PR activities including press release schedules, event planning, direct mail and advertising campaigns and much more. By centrally aggregating details of historic and future marketing and PR activities, you can quickly create comprehensive reports and get instant access to all your marketing and PR activities. Users also have access to HRmarketer's on-demand contact management software allowing members to manage their media and / or prospect lists, including setting up call reminders, tracking communications and running reports.

4. Business Intelligence

HRmarketer's HRintelligence feature tracks media and advertising placements of all HR service providers in the top industry print trade publications. Alerts can be setup to notify users when their company or competitor shows up in an industry trade.

5. Community (arrives Fall 05)

CEOs, CMOs and other senior marketing executives use HRmarketer across hundreds of HR supplier firms. HRmarketer's community features allow members to network with like-minded marketing and media relations professionals. The community forum offers members the ability to post, search for and respond to marketing and public relations jobs within the HR marketplace, approach other members to discuss partnership opportunities or solicit feedback on trade shows, direct mail lists and any other marketing and PR topics you wish to discuss.

6. Advisory Services

What truly differentiates HRmarketer is our expert marketing advisors, a team with years of successful marketing and PR experience selling to HR and employee benefit brokers. We know the space—the journalists, the events, the suppliers, the distribution channels, the direct marketing lists. Our advisors can help you write your press releases, find the right mailing list, introduce you to business partners, educate you on alternate distribution channels, discuss search engine optimization (SEO) strategies, help you penetrate other business verticals and any other marketing or PR need.

About HRmarketer

HRmarketer is the #1 on-demand marketing and media visibility service for companies selling to human resource departments and / or targeting employee benefit brokers and consultants. Founded in 2000, HRmarketer is used by hundreds of human resource suppliers including recruitment and staffing, payroll, employee benefit, training and development, outsourcing, HRIS and other firms. HRmarketer combines a database of marketing and public relations (PR) information with press release distribution, campaign management, business intelligence, advisory services and much more.

For more information or to schedule a 20-minute demo of HRmarketer, call 831-460-9700 or visit us at www.HRmarketer.com.

Appendix

Table 3:

Software / Services Companies and the Markets / Buyers They Serve:

Company Size	Small Employers (< 50 Employees)	Midsize Employers (51- 999 Employees)	Large Employers (1,000+ Employees)
Recruitment and Staffing	<p>Primary Purchaser: Business Owner</p> <p>Key Influencers: Benefits Broker, Attorney, Outsourced HR services firm</p> <p>Comments: Background checking services and job boards are most commonly used recruitment products.</p>	<p>Primary Purchaser: VP or Director of HR, CEO, President</p> <p>Key Influencers: HR Generalist</p> <p>Comments: An especially competitive space with a mix of outsourcing providers, technology and process automation providers.</p>	<p>Primary Purchaser: VP or Director of HR, VP of Operations</p> <p>Key Influencers: CFO, IT, Legal, Manger level of Recruiting and Staffing departments</p> <p>Comments: A maturing market with trends towards consolidation</p>
Compensation / Payroll	<p>Primary Purchaser: Business Owner</p> <p>Key Influencers: Benefits Broker, CPA, Attorney</p> <p>Comments: Payroll companies now offer total outsourced HR services including 401(k), section 125 plans, employee handbooks and training and compliance hotlines.</p>	<p>Primary Purchaser: Senior HR decision maker</p> <p>Key Influencers: CEO / Business Owner, CFO</p> <p>Comments: Payroll firms are now getting into all aspects of HR services, including employee benefits. In doing so, payroll firms are now competing with brokers.</p>	<p>Primary Purchaser: VP of Human Resources</p> <p>Key Influencers: CFO</p> <p>Comments: Payroll companies make most of their money on services and tax float.</p>
Employee Benefits	<p>Primary Purchaser: Business Owner</p> <p>Key Influencers: Benefits Broker, Outsourced HR services firm, Associations</p> <p>Comments: Less likely to offer health insurance mainly due to inability to spread risk which results in higher premiums and inability to afford coverage.</p>	<p>Primary Purchaser: VP of Human Resources</p> <p>Key Influencers: CEO, Benefits Broker, HR consultant</p> <p>Comments: Nearly all businesses with 200+ workers offer health insurance. Health plans offering more comprehensive services from disability to "free" EAP and work / life benefits. Voluntary benefits growing in popularity.</p>	<p>Primary Purchaser: VP or Director of Benefits</p> <p>Key Influencers: VP of Human Resources, CFO, IT (software purchases) Employee Benefit Consultants / Brokers</p> <p>Comments: Wellness, consumer-driven health plans and voluntary benefits growing in popularity. In general, trend is to empower member to manage own benefits (i.e., 401(k) and healthcare).</p>
Training and Development	<p>Primary Purchaser: Business Owner</p> <p>Key Influencers: Department heads</p> <p>Comments: Less likely to offer formal training and development programs than larger employers.</p>	<p>Primary Purchaser: Senior Human Resource Manager</p> <p>Key Influencers: Department Manager, Legal</p> <p>Comments: HR involved at varying levels depending on type of training. Compliance or diversity training may be exclusively purchased by HR while sales training is a joint effort with Sales and HR.</p>	<p>Primary Purchaser: VP of Human Resources</p> <p>Key Influencers: Human Resource Manager, Department Manager, Legal</p> <p>Comments: Legal will be involved with training related to harassment and other workplace issues involving potential for lawsuits.</p>

Figure 3:

Distribution of HR Buyers by Title

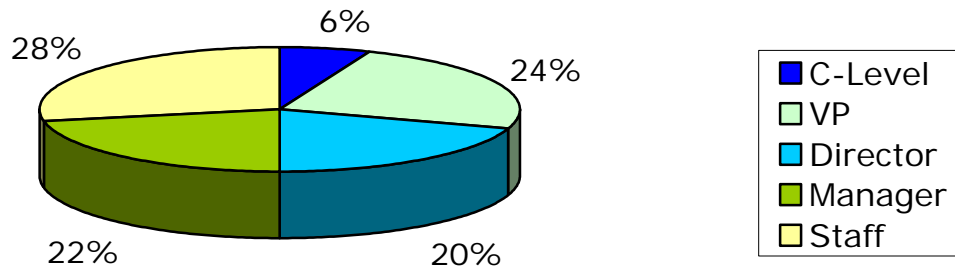
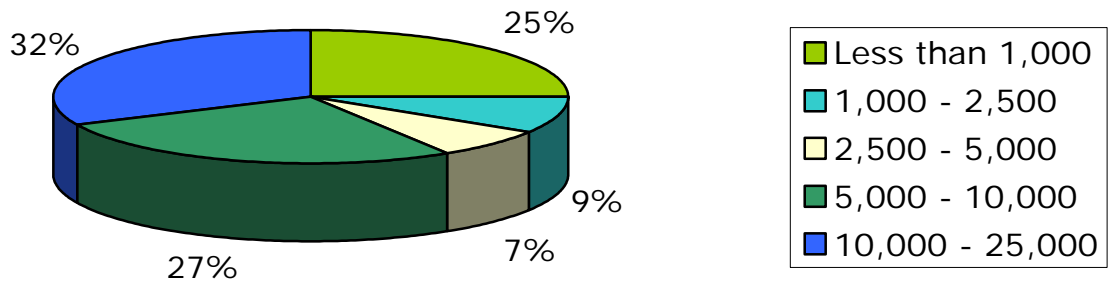


Figure 4:

Distribution of HR Buyers by Company Size



HR Pillars

Recruitment and Staffing: these organizations provide products and services to help employers search for and hire new employees.

- Workforce Planning
- Contingent Staffing
- Security
- Affirmative Action / Diversity
- Executive Search and Placement
- Relocation
- Job Boards / Online Recruitment Sites
- Background Screening
- Staffing Technology (i.e., Applicant Tracking)

Compensation / Payroll: once the employee is hired, employers must compensate them.

- Payroll Processing and Tax Services
- Research and Trend Data
- Executive and Sales Force Compensation
- Severance Pay
- Modeling and Forecasting

Employee Benefits: in addition to compensating employees, employers offer various benefits ranging from traditional health and welfare benefits to worksite / voluntary products.

- Flexible Spending Accounts
- Health Insurance
- Other Insurance: Life Insurance, Legal, etc.
- Dental and Vision
- Benefits Administration
- 401 (k) / Pension / Retirement
- Work / Life and EAP
- Workers Compensation
- Tuition Reimbursement
- Voluntary Benefits
- Third-Party Administration
- Pharmacy Benefits Plans

- Disability
- Wellness
- FMLA

Talent Management / Employee Relations: includes all the human resources services related to managing the individual once they are hired.

- Testing and Assessment
- Talent Management Software
- Recognition and Incentives
- Succession Planning
- Travel
- Employee Surveys
- Appraisals

Training and Development: employers invest in training and developing their employees.

- Corporate Learning
- Legal (i.e., Harassment)
- Department Specific (i.e., Sales)
- eLearning / Software
- Instructor / Classroom Training
- Orientations and Evaluations
- Video Conferencing
- Conference / Meeting Sites
- Diversity

Compliance: employers must make sure they are compliant with all the regulations and other laws.

- Compliance resources and software
- Privacy
- OSHA
- HIPPA
- Litigation
- Environmental
- Discrimination
- Benefits and Compensation Law
- Regulation and Trend Data