

KDPaine & Partners

A DASHBOARD DEVELOPED FOR

JENALY TECHNOLOGY GROUP

BY

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SITUATION ANALYSIS

Jenaly Technology Group Situation and Objectives

Jenaly Technology Group is a virtual information technology services firm serving New Hampshire, Southern Maine, and Massachusetts, as well as select clients nationwide and internationally. Their slogan, “Focusing on Information Technology So You Don’t Have To,” sums up their mission, which is to provide computer networking support and strategic guidance to businesses for whom technology is a critical component, but who are too small to have their own in-house IT departments. Unlike their average competitor, they approach IT problems not from a technology standpoint, but from a business standpoint. In other words, they don’t just go out and buy a network and install it, they start with the fundamental questions, where is your business headed, and what do you need to do to get there?

They have a small staff that provides day-to-day support to about a dozen select clients. To date, most of their sales have resulted from word of mouth. However, the company’s goal for 2002 is to diversify their client base, since they have been overly dependent on a few large clients for their major revenue source. To that end, they’ve allocated \$10,000 towards marketing and business development. However, before implementing the marketing program, management wants regular measures in place so that they can tell what is working or not working.

The Challenge

Since they only need a few new clients and their target audience is limited to about 100 regional businesses, mass marketing is not the answer. Developing reputation and word of mouth as well as spending time in front of those 100 key businesses is the best way to generate new clients. Complicating the issue is that since Jenaly is plunging into marketing all at once, it is difficult to separate cause and effect. Its marketing activities have included a newsletter, speaking engagements, attending trade shows, and donating time to several local non-profits. Determining which activity generated the most sales is impossible, since the activities are so interrelated. Initial contact may have been initiated at the trade show, but on-going contact may be through the newsletter or through their speaking engagements.

BACKGROUND DATA

Geographic Reach

Realistically, Jenaly can routinely serve clients in a 50-mile radius of their headquarters in Portsmouth, NH. That enables them to serve the thriving “e-Coast” of New Hampshire as well as the capital in Concord, and major population centers in Nashua and Manchester.

Additionally, Jenaly’s base extends as far south as Boston and as far North as Portland, Maine – placing some 150,000 people in their geographic reach. Within that area, there are some 20,000 businesses, of which about 20% are potential clients for Jenaly.

Target Audience

Within any small to medium sized business the primary decision holder is always the owner/founder. However, most companies have designated “computer geeks” that are those people who because of talent or inclination take over the day-to-day maintenance of the office network or systems. These people generally have been hired for other duties, but when a crisis erupts, they are the ones that are called. At some point, the resident geek becomes overwhelmed with the computer problems, their other duties suffer and the company realizes it needs to make a commitment to outsource IT support. The people involved in that decision may extend to the “geek” as well as sales, engineering, production

The decision process is generally a competitive one, with price, service, and responsiveness being the major driving factors.

Staff & Budget

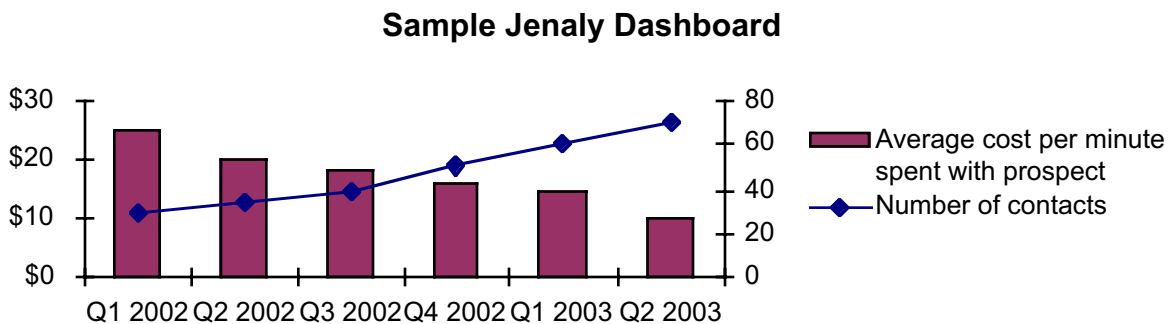
Jenaly currently does not have a dedicated marketing staff, but rather shares the marketing tasks between its President and the Office Manager. Its annual marketing budget is approximately \$10,000.

Current Marketing Activities

Jenaly currently publishes an e-mail newsletter that is distributed to its mailing list of 500 on a quarterly basis and supplemented with a monthly “tech tip”. It recently attended its first trade show, and its founder has appeared as a panel speaker for a number of trade conferences.

Benchmarks & Competition

While there are dozens of computer repair services in Jenaly’s service area, its positioning is such that it only competes with a few other companies, specifically Portsmouth Computer Group, Cocci Computer Services or small, independent one-person consultants.

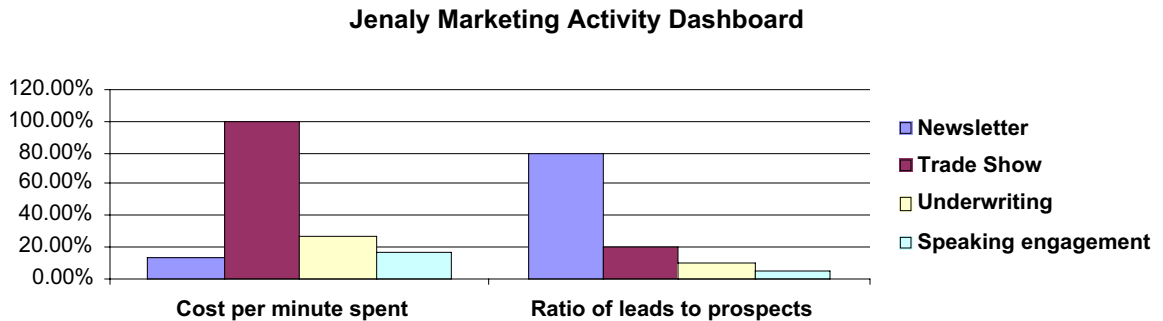


RECOMMENDATIONS

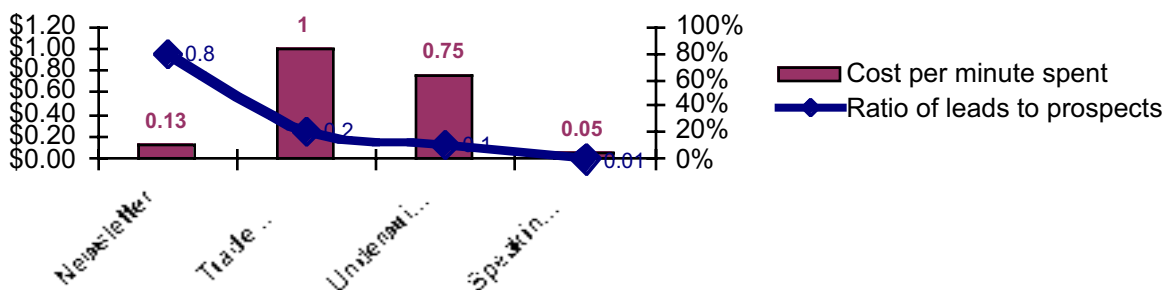
Measures of Success

Ultimately, the primary measure of success on an annual basis for Jenaly will be the number of clients acquired vs. the marketing dollars spent. Over time, they should be able to correlate increases in marketing activity with corresponding increases in leads or sales. Ideally, they’ll be able to evaluate each marketing activity from this basis to determine the return on their marketing dollars. However, such data takes time to accumulate, and it does little to help management determine what is working and not working on a tactical basis. To effectively compare the various marketing activities requires a means to qualify the leads and contacts that

Jenaly has. A sales lead rating and tracking system needs to be established to qualify the contacts that Jenaly generates thru its activities. To judge the various activities individually you need to examine the ratio of total leads to qualified leads.



Because it takes time to build relationships with its clients, Jenaly should first look at the amount of face time each marketing activity generates relative to its cost. This cost per minute spent with clients is calculated by taking the costs of all marketing activities, and the total number of people to whom they are exposed. For each activity we will determine an average length of “face time” and you can then divide the cost by the total number of minutes spent. For example, if it costs \$1000 to attend a trade show and 100 people stop by the booth for an average of 7 minutes each, the number of contact minutes is 700. We then divide the cost of



\$1000 by 700 to come up with a cost per minute spent of \$1.42.

To measure their word of mouth, Jenaly should consider conducting a reputation study among local business leaders. Ideally they could partner with one or two other businesses in the area to share results of the study.

What JENALY Will Be Comparing Its Results To:

Jenaly should look at its results quarterly over time, as well as compare and contrast specific marketing activities.

How JENALY Should Implement Its Program

If they haven't already, they should implement a lead tracking system to track incoming phone calls, emails and other inquiries to determine what constitutes qualified vs. unqualified leads. Additionally, once a quarter they should assess the periods marketing activities according to the above criteria. A reputation survey should be conducted once a year to determine awareness and reputation.

Approximate Budget Requirements

Item 1: Cost of a lead tracking package such as ACT is about \$500 plus staff time.

Item 2: Staff time only

Item 3: A statistically valid study of the target population done by the UNH Survey Center or RKM Research in Portsmouth would cost \$5000 for the surveys and approximately \$500 to develop the questions.