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CONTENT

LGBT MARKETING 101: TEN FIRST-YEAR STEPS

BY

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Roth and Paisley provide tips for targeting this increasingly important segment.

The American LGBT (lesbian, gay, bisexual and transgender) market segment is estimated at more than \$800 billion and is obviously a segment that marketers can't overlook. But how do companies get started when it comes to targeting these customers? The Community Marketing & Insights (CMI) team has been helping marketing professionals and brands reach LGBT communities through our market research and consulting practice for more than 20 years. Below, we've outlined ten initial steps to consider before you jump in.

Of course, every business and industry segment are different. The marketing approaches of an insurance company are very different from those of a retailer or a hotel chain. Some of these fundamental guidelines may apply to your business more than others.



Slow Down and Start With Planning:

Before launching into marketing planning, your company's "house needs to be in order." Consult with your HR department to be certain that your hiring and personnel policies embrace LGBT employees and that LGBT-inclusive diversity training is in place.



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The commitment to serve the LGBT community should exist across the C-level, management and staff. It's fine to take as long as you need for research, training and planning. Stepping into the LGBT market before you are ready could result in internal hurdles, poor performance and, in some cases, a negative first impression.



Track Results: Another important preparation is to determine your LGBT market goals and how you will track ROI. Like all of your other initiatives, gear your LGBT marketing efforts to reach what your company will recognize as success.



Community Involvement: One of the most common mistakes made by a company entering the LGBT market is placing a full-

page ad in a gay newspaper or a banner on a gay website, and then wondering why the phones don't ring. During the first year, advertising should be secondary to authentic community involvement. Get out there, connect and network. Sponsor and/or attend community events, talk to people, and understand the community and their response to your company before starting your advertising campaign. Some of the most successful brands in the LGBT

market are those that prioritize a community partnership approach first, followed by traditional advertising/marketing.



Determine Who Your Customer Is:

Unless you have an unlimited budget or your product/service has mass consumer appeal, don't think in terms of marketing to the entire LGBT community. Instead, decide which segments of the diverse LGBT communities are right for your company. Those segments might be based on geography, interests, gender, income, age, ethnicity, relationship status or more, all within LGBT. Research is often the best way to identify these opportunities, and in crowded LGBT market segments like banking and hospitality, differentiation is the key to gaining traction. Targeting and fine-tuning your initiatives will produce improved ROI.



Don't Overlook Your Website:

The LGBT community is very connected to the Internet. Care needs to be taken with regard to how your company presents itself on the web. For example, if you create a dedicated LGBT display ad, which then directs customers to an overtly heterosexual website (or Facebook page,

etc.), how effective would that be? Display ads may generate interest in your service or product, but your website needs to complete the connection. Developing a dedicated presence (e.g., an LGBT microsite) should be your first marketing priority. You can then direct all ads, promotions and PR to that site.



Get Social and Mobile. Get connected to LGBTs via Facebook, Twitter, LinkedIn, Instagram, Tumblr, YouTube and other



BIO

Thomas Roth, President and founder, launched Community Marketing Inc. in 1992 and has served as its President for more than 20 years. Roth and his team have developed a spectrum of products and services to skillfully lead the company's global clients to their goals. He is now primarily dedicating his industry-leading expertise to head up the Community Marketing & Insights division, which produces the annual LGBT Community Survey®, as well as custom consumer research studies for a variety of market leaders. Roth engages in strategic consulting to CMI's diverse clients in tourism, hospitality, banking, retail, pharmaceutical, beverages, real estate, insurance, government, etc., and he conducts educational seminars for corporations and organizations.

Roth studied at Maharishi University of Management and earned his MBA in 1985. He provides pro-bono consulting and marketing services to nonprofits; served on the board of the Commercial Closet Association (a department of GLAAD); and served as an officer on the International Gay & Lesbian Travel Association board of directors. He is a longtime instructor of the Transcendental Meditation (TM) program, having performed volunteer work with at-risk youth in San Francisco schools, and is now heading up a pilot study on the benefits of TM for people living with HIV/AIDS in collaboration with SF AIDS Foundation.

social channels to drive awareness. As an example, a few of the most popular LGBT advertising campaigns have involved the posting of a clever LGBT-themed commercial to YouTube, which is then forwarded tens of thousands of times. On a parallel line, LGBTs are early adopters and have gone mobile faster than the general market. Your website, microsite, etc. should be mobile optimized.



Think Like Your Customer: After you determine who and where your LGBT customers are, start thinking like them. Which Internet sites do they frequent? What print media do they read? Which community organizations are important to them? Which events do they attend? The LGBT media is becoming increasingly stratified. This is a good thing for marketers because you can create customized messaging in well-matched media. Conserve resources by advertising where your LGBT customers and prospects are most likely to receive your message.



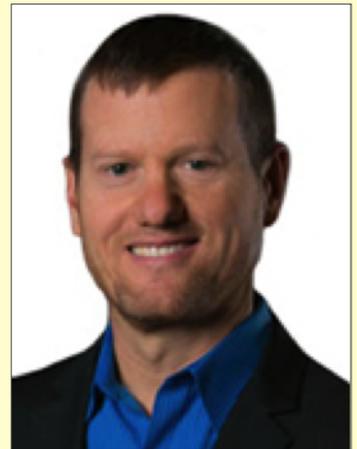
Test Media Buys: Placing creative in LGBT media can be complicated. There are hundreds of national, regional and activity-based/special interest publications, websites, blogs, apps, etc. You'll find a few larger-circulation magazines, but most of the media are small, specialized and off the radar of many ad agencies. Plus, you will discover that the cost per quality impression varies widely across different LGBT media. Subscribe to LGBT print magazines and regularly visit LGBT websites. Pay attention to the design, messaging, imagery and offers that grab your attention. Continually monitor your competition. Focus group-test your LGBT ad/marketing concepts with LGBT consumers before investing in media buys.



Empower: Let your LGBT employees and customers become your ambassadors. Often, your LGBT employees, even those without marketing backgrounds, can be your best advocates. They are proud of their company's support for the community, and they want to tell the world. Train them on marketing talking points, and let them generate the all-important word of mouth. The same goes for your LGBT customers: Get them passionate about your brand, for example, by letting them know that you are making a donation to an LGBT organization that is important to them.



Learn! CMI's website is loaded with valuable research, all available for download. Review our LGBT Community Survey, African American LGBT Survey, LGBT China Survey and more to gain high-level insights into the overall market and the many viable markets within LGBT.



BIO

David Paisley is the Senior Research Director with CMI. He has been with CMI for over 20 years and coordinates the company's quantitative and qualitative client research projects and professional educational programs. With decades of experience, organizations utilize his expertise that comes from coordinating more than 100 LGBT-specific research initiatives and personally moderating CMI's LGBT focus groups.

His work represents a wide variety of corporate, nonprofit and government entities, including Wells Fargo, Target Brands, Aetna, Northstar Memorial Group, Prudential Financial, NYC & Co., Chicago History Museum, WNBA, E&J Gallo Winery, Kaiser Family Foundation, American Cancer Society and the United States Census Bureau, to name just a few.

Paisley is also a featured speaker at LGBT sales and marketing conferences and conducts training webinars for corporations throughout North America and beyond. Reach him via email at david@CommunityMarketingInc.com.

Marketing to the LGBT community can feel overwhelming at first. Sometimes it helps for your company to obtain some short-term guidance or long-term support. This can come from LGBT consumers themselves through focus groups, survey research, your own employees, and/or qualified consultants.

Community Marketing & Insights' clients often reveal that their involvement in the LGBT community has been an enjoyable and worthwhile experience on many levels. Many also tell us that the lessons learned from being involved in the LGBT market have been invaluable to their expansion into other market segments as well.

For more information about CMI's research and consulting practice, please visit www.CommunityMarketingInc.com, or contact Thomas Roth at 415.437.3800 or tom@CommunityMarketingInc.com