

McSWEENEY & ANTMAN'S OCCASIONAL UPDATE VOL. 2 NO. 5

From the corporate branding and strategic communications firm **McSWEENEY & ANTMAN**.

Welcome to the latest edition of McSweeney & Antman's Occasional Update, our periodic compilation of useful information and interesting news. If you wish to unsubscribe, just reply to this e-mail with the word "unsubscribe" in the subject line.

1. NEW CLIENTS

McSweeney & Antman is pleased to welcome as a client **Professional Business Management Inc.**, www.pbminc.net, a leading provider of practice management services to health professionals.

2. IMPROVING THE ROI OF YOUR TRADE SHOW MARKETING

Ion Exhibits, www.ionexhibits.com, a trade show exhibits and logistics firm, hosted a recent conference on getting the most out of trade show investments. Among the statistics cited at the conference: more than 125 million people attended approximately 4,300 trade shows in North America last year. More than 85% of these attendees exert a buying influence. Face-to-face selling time with these influencers at shows is 68%, versus 26% in the field.

It's no wonder then that, on average, companies spend more than 17% of their marketing budgets on trade shows. In McSweeney & Antman's experience, the key to generating the greatest ROI from this investment is to build a marketing plan around each show that includes three things: Aggressive pre-event marketing to attendees, which increases name recognition and booth traffic; staffing booths with individuals who are sophisticated enough to qualify legitimate leads on-site, which greatly reduces the prospect of giving out hundreds of trinkets and expensive pieces of collateral in return for hundreds of useless business cards; and an effective follow-up program to convert the qualified leads.

3. SEC BULLYING THE BULLIES?

The Wall Street Journal recently reported that new Securities and Exchange Chairman Christopher Cox has indicated the SEC will "tackle" the issue of so-called "analyst bullying" under which certain companies treat selected securities analysts in a prejudicial manner. We wonder if this is a fight the SEC should get involved in.

To be sure, companies should not engage in blatant attempts to “freeze out” analysts for negative assessments that are legitimate and objective. In the long run, such behavior will not help these companies overcome poor performance and in the short term it can deprive investors of relevant information. However, the *Journal* reported that the SEC also was looking into “subtle” forms of prejudicial treatment such as not allowing certain analysts to ask questions on the conference call.

The problem is that not all analyst assessments are objective and made in the best interest of the investors. This point was made startlingly evident by the multi-million dollar settlement that leading investment banks reached with regulators in 2003 over conflicts of interest in their analysts’ research practices.

There are good analysts and there are bad analysts, and companies should not be required to treat all with absolute equality. In today’s information-rich investing environment, if companies punish good analysts for legitimate assessments, the market will soon be able to tell who was right. Outside of investigating blatant cases of analyst bullying, the SEC should leave interactions between companies, investors and analysts alone and let the market determine whom to trust.

4. BUSH, KATRINA, AND WHY YOUR LAST CRISIS WON’T BE YOUR NEXT

Generals, the old saying goes, always prepare to fight the last war. So too, it seems, organizations always prepare to prevent their last crisis, not their next.

In a *Wall Street Journal* opinion piece this fall, former General Electric Chairman Jack Welch wrote that the much-maligned response by the Bush Administration and other levels of government to Hurricane Katrina followed a pattern resembling responses to many other crisis situations, despite all the steps taken following the 9-11 terrorist attacks. While both events were national crises, they were different, and as Mr. Welch noted, “organizations may go through several crises, but very rarely do they go through the same type twice. The reason? ... They throw up fortresses of rules, controls and procedures to fix what went wrong in the first place. In that way, they build a kind of immunity to the sickness that felled them.”

This point was brought home a short time later when Tyco International Chairman and CEO Ed Breen spoke to the Executives’ Club of Chicago on corporate governance. Mr. Breen took the helm of Tyco following a series of accounting and other scandals that forced the resignation of previous management. In his remarks to Chicago executives, Mr. Breen detailed the extensive infrastructure, plans, and procedures he had put in place at Tyco to prevent any kind of management or accounting improprieties in the future. The audience left with the impression that Tyco is as unlikely to be involved in another accounting crisis as Tylenol maker Johnson & Johnson is to be involved in a product crisis.

The problem is, what if Tyco next faces a product crisis or J&J an accounting one? In a world of uncertainty, crisis *prevention* is notoriously difficult. As a result, in McSweeney & Antman's experience, crisis and crisis communications *preparation* is absolutely essential for organizations to manage crises effectively. See our article on this topic at <http://www.mcsweeneyantman.com/index.asp?page=10&content=9>. While the exact type of every crisis can't be anticipated, basic planning procedures can help organization deal effectively with the vast majority of situations they are likely to face.

5. A DISPATCH FROM THE DARKER SIDE OF ADVERTISING...

Anyone interested in the impact of advertising on society would be well-advised to read the recent novel by best-selling novelist William Gibson, *Pattern Recognition* (Berkley Books), which explores the wilder shores of the world of marketing. The dystopian story, set in the present day, concerns a "cool hunter" (an actual job category, albeit not one often encountered in financial services or business-to-business advertising) and her attempts to track down what may be the ultimate "teaser ad" – a mysterious series of digitally watermarked video snippets with no traceable provenance or purpose. Though the story is a pretty conventional thriller, Gibson has some interesting points to make about just how manipulative many contemporary advertising techniques are; for example, if that attractive young woman at the bar happens to mention how much she likes a particular alcoholic drink, you should know that it's possible she's been paid by an advertising agency to say so. Gibson's story touches on marketing espionage, logo overload, and other techniques from the world of consumer marketing that, to the extent that people are even aware they are being manipulated, might just give that business more of a bad rap than it already has.

6. ...MEANWHILE, BACK IN THE REAL WORLD

On the other hand, even though Gibson depicts some actual practices, they're exaggerated, and his book is, after all, a work of fiction. Fortunately, in the real day-to-day world of marketing, most marketers are constrained by their own ethics as well as by the regulations and limitations of the media. And those that don't feel constrained soon learn better: At a recent Business Marketing Association breakfast devoted to Internet marketing, one speaker noted that no less than three Fortune 500 companies, as well as many Search Engine Optimization (SEO) consultants, have been banned by Google for bad practices, such as using manipulative means to get their Web sites listed higher up in Google's results. When you're banned by Google, you're pretty much exiled from the Internet itself; the speaker outlined (and McSweeney & Antman, in its own SEO work on behalf of clients, endorses) some Google-friendly means of improving search results, such as building SEO optimizers into your site's infrastructure and coding, and using honest, non-manipulative "natural language" to incorporate key search words into your site.

7. HAPPY HOLIDAYS

As 2005 comes to a close, we wish all the friends of McSweeney & Antman and your families a happy holiday season and a successful 2006.

CONTACT MCSWEENEY & ANTMAN

As always, we welcome your comments, questions and suggestions. Please contact Dennis McSweeney at dennis@mcsweeneyantman.com, Michael Antman at michael@mcsweeneyantman.com and Riva Aidus-Hemond at riva@mcsweeneyantman.com. Or call us at 630-661-3624.

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