REACHING THE APPLE II INSTALLED BASE   April 1990

by Jon Simonsen

It's one thing to sell new products to your own installed base; it's quite another to reach the segment of the 5 million Apple II users who don't already have your products. As a participant in the Apple II market over the past ten years, Beagle Bros has attempted to reach that segment in several ways, and we've gained substantial market share in the process. In what follows, I'm going to share with you the methods we've used to reach Apple II users. As you'll see, much of what we've learned is applicable even to businesses with small- or medium-size marketing budgets.

Trade shows. Participating in regional trade shows is beneficial in numerous ways. At trade shows, you have a unique opportunity to sell potential customers on yourself, your company, and your product in one-on-one demonstrations. Naturally, we attend AppleFest, which attracts the largest Apple II audience you'll find anywhere, and we plan to attend ComputerFest this May (see "AppleFest Makes Its Move" in this issue's NewsClips section). We also attend several education shows each year: the NECC (National Educational Computer Conference), the MECC (Minnesota Educational Computer Consortium), the FICC (Florida Instructional Computer Conference), and all the CUE (Computer Using Educators) conferences held in California. Peter Li, Inc., publishes a list of education shows, which you can obtain by calling (800) 523-4625. Apple Computer also posts a list on AppleLink of the educational shows it attends (AppleLink path: K–12 Education: What's News: Education Conferences).

We've also found that trade shows present an excellent opportunity for market research. By talking with people at trade shows we attend, we find out which of our marketing campaigns are working and how we might better reach people who aren't familiar with our products.

Strategic Alliances. As it becomes more difficult to find new and effective ways to reach the Apple II installed base, it will benefit us all to share ideas, strategies, and resources with one another. For this reason, we advise forming partnerships. Through in-box promotions with other third-party developers, we have gained significant market share. For example, sales of our TimeOut UltraMacros jumped as much as 400 percent as a result of an insert in the AppleWorks box. Overall market awareness of the rest of the TimeOut series increased dramatically too.

User Groups. User groups can be a good source of valuable and inexpensive sales reps. Some time ago, we designed a program called Beagle Buddies. With the help of user-group presidents, we enlisted user-group members we felt were well suited to promote our products. These Beagle Buddies announce new products, give demos, hand out collateral, and offer support to fellow user-group members who need help. In return, we give them free software for their personal use. It has increased our sales and has been very cost-effective. Our Beagle Buddies have gone the extra mile and are invaluable to us. To find Apple II user groups in your area, contact Apple Computer at (800) 538-9696.

Advertising. Of course, effective advertising is one of the best ways to gain mindshare for your product and company. The question, of course, is where to advertise and how to make your ads effective. We advertise in the major Apple II publications and in general educational publications as well: *inCider/A+, Nibble, The Apple IIGS Buyers Guide, Electronic Learning, Classroom Computer Learning, T.H.E. Journal,* and *Curriculum Product News.*

As to the ad itself, we've discovered that the most persuasive ad is one that touts both the excellence of your product and the extent to which your company stands behind it. For example, if you offer a 30-day guarantee, you should say so. We feel that if you have confidence in your product, then a 30-day guarantee is a good policy and will increase your sales. We've also discovered that providing a toll-free information number for customers who want to ask questions before they make a purchase helps. This too should be featured in your ad.

Also, don't forget to mention the solution your product is designed to provide. Potential customers need to be reminded that there are better solutions than those they already have. An ad can serve as that reminder.

Education Evaluators. Obviously, education markets represent a vast source of opportunity for Apple II developers, and we've found that there are a couple of ways to increase sales within them. Offering free products for the hundreds of education preview centers across the country is an effective way to increase awareness among teachers. If your budget does not allow this, then offer the products to the preview centers at cost plus shipping. To find preview centers in your area, contact your state board of education.

To be successful in the education arena in the 1990s, you'll also need to establish structured licensing policies. In 1988 we restructured Beagle Bros' licensing program and added site, district, and network licenses. Overall revenues increased 100 percent for 1988; 20 percent of this increase was attributable to school licenses.

Direct Mail. From the surveys we conduct at educational shows, we've learned that an alarming number of educators do not read industry publications on a regular basis. To reach these people, we advise using direct mail. Our research shows that educators respond to direct mail at a much higher rate than does the typical consumer. It's true that large direct-mail campaigns can sometimes be costly, but there are ways to cut those costs. For example, you can do joint mailings with other companies, mail through your distributors, or swap lists with third-party developers to reduce unnecessary list fees. Don't just mail a catalog or a product announcement. Create special promotions with an incentive to buy and a definite call to action.

Group Affiliations. You'll also gain increased mindshare in the marketplace by joining national industry groups. There are several to choose from: NAUG (National AppleWorks User Group), ACG

(Apple Computer Groups), ACC (Apple Computer Clubs), ACOT (Apple Classrooms of Tomorrow), TI&IE (Teachers Idea and Information Exchange), TERC (Technical Education Research Centers), and more. Membership in these groups pays off in numerous ways. For example, they will provide your customers with technical support and inform them of the latest versions of your products, and their newsletters will publish articles (which are often more influential than advertisements) about your products.

By using some combination of the methods I've discussed above, you'll be far better able to reach the Apple II owners who are not yet your customers. But remember: Even if you execute these marketing strategies flawlessly, you'll need to have quality products and excellent customer/technical support to keep those valued customers coming back.

SIDEBAR

Apple's Mailing Lists

If you're looking for ways to make your use of direct mail more effective, you should know that Apple Computer Developer Programs also provides a direct-mail service. Although Apple does not publish its customer lists, we do allow developers to send direct mailings to our customers via an independent mail house. Through Developer Programs' Direct Mail program, you have the opportunity to inform qualified Apple customers about your new or revised products, programs you have developed exclusively for them, and your special offers or product discounts. You can send direct-marketing materials, such as brochures, newsletters, self-mailers, and business-reply cards, to Apple customers in the following groups: Higher education, Business, VARS, User groups, Dealers, Developers. For more info, call the Developer Hotline at (408) 974-4897. Apple screens all items before they're mailed to developers.

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