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Once an ugly duckling driven by cutting costs, eLearning's potential to support brand loyalty and higher sales is finally emerging, writes **David Becker**.

Branded eLearning.

For most people, eLearning conjures images of some poor schlep doing a safety compliance module, usually a Spartan meal of screen text and multiple-choice questions that make them long to watch paint dry.

Elsewhere, a balance sheet shows a permanent decline in classroom training costs achieved for a relatively small initial outlay.

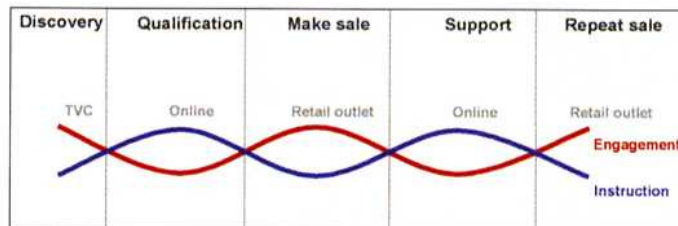
In the past, eLearning has predominantly been a cheap and nasty but effective way of cutting costs, driven by the HR or IT departments, and used for rapid staff induction, policy compliance and software skills development. But from this ugly duckling a swan is now emerging.

Enter 'sexy' eLearning, driven by the marketing and sales department to generate leads, increase sales and build consumer loyalty. This isn't just eLearning, it's 'branded content'. Branded eLearning is better funded because it delivers tangible bottom line results. Let's separate fact from hype by looking overseas at successful early adopters.

Barnes and Noble's free live eLearning courses, with prerequisite readings available through their site, have attracted 500,000 registered users averaging two classes each, translating to a million books sold. This 'value wrapping' also communicates valuable brand messages: more than a bookstore, a trusted adviser etc.

Discount shares broker Charles Schwab developed more than 50 free online courses to generate qualified leads at a lower cost. Since 1999, over 200,000 people have enrolled, with a thousand new enrolments each week.

BlackBerry and Sony offer consumers 'how to' eLearning courses to support their digital lifestyle. Embedded with brand messages and contextual calls-to-action, this subtly differen-



tiates their brands and generates loyalty, while providing the consumer with something they actually value.

Moreover, research by Next Century Media identified a 'gratitude effect' in branded eLearning. It surveyed nearly 200,000 consumers on their attitudes to eLearning, finding that over 90 percent of respondents viewed the brand more favourably, and nearly a third of respondents were more likely to purchase the product. This research also reported an average return on investment (ROI) of \$55 in additional sales for each dollar spent (55:1) on branded eLearning in the consumer electronics category.

While eLearning can achieve tactical marketing and sales objectives, to unlock its strategic value we need to understand its role in meeting consumer needs.

Traditional media campaigns are good at persuading consumers, while websites are great for informing consumers. The instructive quality of eLearning is different, influencing consumer decision-making and creating a 'pull' effect by building trust and establishing a brand as an 'authority' in its category.

So if branded eLearning can qualify and support consumers, and directly assist in sales, how do we know precisely when and where in our cycle to deploy this marketing marvel? Identifying when consumers need emotional engagement or instruction in the sales cycle is a good start.

In the generic sales cycle pictured above, a consumer discovers a product via a TVC, motivating them to qualify their needs online. They visit a store and the sale is made. Later they need

some support in using the product and eventually become a repeat customer.

While the model above is exaggerated – in reality engagement and instruction are blended – it still matches well with experience. BlackBerry's eLearning offers customers just-in-time support while inviting repeat sales. Barnes and Noble takes the model further by wrapping the instruction around making the sale. Dell and others provide fee-for-service consumer eLearning, creating a new revenue stream.

How do we get the mix of engagement and instruction right? Touch point analysis identifies which points are most strengthened by branded eLearning. Consumer testing then identifies an audience's learning needs at that touch point. Finally, psychographic research determines how the eLearning can synchronise with other marketing tools and touch points to influence consumer behaviour.

Customer complaints also reveal areas of poor consumer understanding with advanced product features, order fulfilment, warranty claims etc. Emerging trends in complaints data may reflect a market segment's unmet needs, which often stems from poor consumer understanding.

Branded eLearning can deliver tangible results if designed to meet a real need and deployed as part of an integrated marketing strategy. In this respect, it has earned a spot in the marketer's toolbox. **M**