Marketing Lessons from the 2012 Presidential Election

By:

Moderator:
Peter H. Berge
Minnesota CLE
St. Paul, Minnesota

Panelist:
Josh Lindblad
National Business Institute
Altoona, Wisconsin

Panelist:
Mark Vesley
Minnesota CLE
St Paul, Minnesota

Presented at:
ACLEA 49th Annual Meeting
August 3-6, 2013
Baltimore, Maryland
Peter H. Berge
Minnesota CLE
St. Paul, MN

Peter H. Berge is the Web Education Director for Minnesota CLE. He graduated from William Mitchell College of Law with honors where he was an Editor of the Law Review. After law school, Mr. Berge clerked for the Minnesota Supreme Court and then moved to a civil litigation practice in Minneapolis. After publishing a book on Insurance Law, he lived the gypsy life of an itinerant law professor, teaching at the William Mitchell College of Law, Temple University School of Law and Georgetown University Law Center. Returning to Minnesota, he became the Vice President of Risk Management for Minnesota Lawyers Mutual until an insane urge to try cases again struck him. A timely intervention by Frank Harris brought Mr. Berge back to his senses and into the fold of Minnesota CLE. When not shepherding the Minnesota CLE Webcasting endeavor, Mr. Berge plays guitar and sings in bars around the Twin Cities with The Midnight Mo Experience and you can see some of his photography at www.peterberge.com and www.facesofmn.com. He recently had a show of his photography in Stillwater, Minnesota called "China - It's All Over the Map." Peter is a director on the ACLEA Executive Committee.

Josh Lindblad
National Business Institute
Altoona, WI

Josh Lindblad oversees a team of analysts that is responsible for the scheduling and direct mailing efforts of over 2,500 events per year at NBI. He helps to drive the strategy of NBI’s event placement, course mix, and marketing efforts. Prior to joining NBI, Josh held positions in sales and advertising, and holds a bachelor’s degree from the University of Wisconsin - La Crosse.

Mark E. Vesley
Minnesota Continuing Legal Education
Saint Paul, MN

Mark E. Vesley is Customer Data Manager and Promotional Mailings Coordinator at Minnesota CLE, where he has worked for 16 years. Before joining Minnesota CLE, he earned a graduate degree in classics and taught at several colleges in the Twin Cities area.
Marketing Lessons from the 2012 Election...As It Applies to the CLE Industry

By Josh Lindblad, National Business Institute, Altoona, WI

Presidential campaigns spend a lot of money and hire some of the brightest minds for their marketing efforts. Therefore every four years we witness a lot new ideas being tried in marketing. For this reason, presidential campaigns are a great place to look to for ideas that you can use to improve your own marketing techniques and strategy. This discussion will touch on 7 areas where CLE organizations could learn something from the 2012 campaign. These include segmentation, data-mining, the organization’s website, online marketing, social media, e-mail and direct mail.

The Power of Segmentation

Segmentation - 2012 Presidential Campaign

Political campaigns are very effective at segmenting voters by demographics, behavior and attitudes. By understanding how different segments of people typically vote, they can adjust their resources accordingly. A specific message can be sent to a certain segment to sway their vote, additional marketing resources can be spent to try to increase voter turnout amongst a segment that typically votes for your party, or marketing resources can diverted from voters who are likely unpersuadable.

Below are examples of segmentation that the Obama Campaign would be focused on. The goal is to try to increase support and voter turnout amongst these groups by reaching to them via the most cost-effective marketing channel. The Romney campaign would have the inverse goal for these groups (either try to increase his share of support for these groups or make their turnout a smaller percentage of the overall voters):

- Swing state voters primarily (Ohio, Florida, Virginia, Colorado, North Carolina, Wisconsin, Nevada, Iowa, Michigan, Pennsylvania, New Hampshire, etc)
  - Females (55% voted Obama)
  - Young Voters (60% of 18-29 year olds voted for Obama)
  - Hispanic Voters (71% voted for Obama)
  - African-American Voters (93% voted for Obama)
  - And many more characteristics such as religion, urban/rural/suburban, occupation, income, marital status, union household, etc, etc.
Below are examples of that the Romney Campaign focused on. The goal is to try to increase support and voter turnout amongst these groups by reaching to them via the most cost-effective marketing channel. The Obama campaign would have the inverse goal for these groups (either try to increase his share of support for these groups or make their turnout a smaller percentage of the overall voters):

- Swing state voters primarily (Ohio, Florida, Virginia, Colorado, North Carolina, Wisconsin, Nevada, Iowa, Michigan, Pennsylvania, New Hampshire, etc)
  - Men (53% voted Romney)
  - Older Voters (56% of 65+ year olds voted for Romney)
  - White Voters (59% voted for Romney)
  - Evangelical Protestant Christians (79% voted for Romney)
  - And many more characteristics such as other religions, urban/rural/suburban, occupation, income, marital status, etc, etc.

**Segmentation - CLE Organizations**

Reasons why you should segment your customers and prospects:

- To make your marketing more profitable and efficient
  - Identify top segments and figure out how to make them more profitable through increased or improved marketing efforts designed for that group.
  - Identify the worst segments and figure how to make them more profitable through decreased marketing expenses or improved marketing efforts designed for that group.
- To get a better understanding of customer and prospect behavior to improve business planning
  - Understand where your profit is coming from and where it’s not.
  - Identify opportunities to grow in areas where you are weak
  - Identify opportunities to expand in areas where you are strong
- To benefit the customer by increasing relevant marketing offers and decreasing marketing efforts that aren’t relevant.
  - Happier customers = better retention and more profitability long term

How to set up segmentation:

- Identify characteristics of customers and prospects that you feel may cause different purchasing behavior.
  - Ideally this would be done by looking at your past data to see if certain characteristics cause a person to behave differently when presented with a CLE event or product.
- Make sure that you are segmenting useful characteristics
  - Is the group large enough that you could measure the results of a marketing effort?
Is the group large enough that you could earn more profit by changing your marketing effort towards it?
Is it possible to reach more potential customers the with the prospect information you currently have?

- Types of useful segmentation for CLE:
  - Geographic (City, County, Zip Code, SCF, State, etc)
  - Behavioral (Purchase history, frequency of purchases, recency of purchases, type of content purchased, amount of revenue, types of product format purchased, etc)
  - Demographic (profession, practice area for attorneys, firm size, age, gender, credit needs, etc)

- Once you find the characteristics you want use, you’ll want to track their results on future marketing efforts:
  - Create a code for your marketing efforts and encourage customers to let you know what the code was at the time of the order.
  - You’ll then be able to track your orders/revenue and you’re marketing expenses for each segmented group which will allow you to tell if you’re making a profit or not for that group.
  - You’ll then be able to track the profitability of these groups for individual events/products, groups of similar events/products, or all of your events/products.
  - Then use this information to make improve your marketing efforts.

Benefits for a CLE organization:

- You may find that certain size law firms account for most of your revenue.
- You may find out that it’s not the best decision to mail every type of practice area for every program.
- You may find out that your customers/prospects come from a very specific geographic region for events in certain locations.
- You may find out that certain age groups respond better than others.
- You may find out that a small percentage of core customers are keeping your organization financially stable. How do you keep them happy? How do you become more diverse?
- You may find out that certain firms are never responding and perhaps that will lead you to a different strategy for that firm.
- Etc, Etc.

**Data Mining Is the Future**

**Data Mining – 2012 Presidential Election**

The Obama Campaign (just like many companies are currently starting to do) went full speed ahead with the new big thing in marketing - Data Mining. Data Mining is a process that attempts to
discover patterns in large data sets. The patterns are then used to formulate a more efficient and effective marketing strategy. The Campaign hired five times as many employees in the Analytics department as they had in 2008. Data Mining can be very intensive, but it can yield much higher quality information to make decisions with than typical methods such as segmentation. Data mining reveals information that can’t be easily seen by looking at the data with a human eye.

Example of how the Obama campaign used data mining:

- Combined voter data from various sources such as databases, polling companies, field offices, internet tracking, etc.
- That data was used to assign scores to potential voters in swing states
- The scores determined the person’s likelihood of who they would vote for, how likely they were to vote and how pursuable they were.
- They then used this information to micro-target specific voters/or very specific groups of voters with very specific marketing efforts designed to get them to vote for Obama or donate to the campaign. This drove the decision making for their marketing on TV, online, radio and direct mail. They did what the data told them to do and relied less on opinions.
- It turns out that people are very likely to vote a certain way when you know as many factors as possible about them. People are more predictable then they’d like to think.

Data Mining – CLE Organizations

Why you would want to use data mining in the CLE industry?:

- Once you’ve started assigning data characteristics to your customers and potential customers, there sometimes is too much information to know what to do with it. There are some things that are easy to see that you wouldn’t need data mining for (example: your CLE events are performing better with older attorneys than younger attorneys). However you can’t as easily identify or manage the marketing efforts when the data is more complicated (example: using data mining, you can score your customers using all of your data and see that the top targets are actually older attorneys (50+), who are within 3 months of their CLE compliance deadline, and work at solo law firms within 60 miles of the event. Perhaps more importantly you might see that young attorneys at large law firms who have just recently passed their CLE compliance deadline are the worst targets. These scores would let you know with greater confidence who to increase marketing to and who not to market too at all. It might allow you to put together a specific marketing campaign to micro-target a very specific group of people with a different message designed to appeal to them.

How to start data mining:

- Well...here is the tough part for most CLE organizations. Ideally you’ll want a statistician/database/IT focused employee or two who has researched data mining and can
devote significant time to it. Unfortunately that is not going to work for most CLE organizations. However, within a decade, data mining will likely be expected for most organizations that have marketing teams. This will lead to an increase in easy-to-use data mining software and will also lead to more college graduates and potential employees having an understanding of data mining.

- Like most organizations, if your currently not ready to tackle data mining, then the important thing is to understand the concept and realize that it could lead to better marketing efforts if you are ever in position to try it.
- One of the hardest details is that you’ll need point-in-time data (What the customer/prospect looked like at the time of marketing to them originally). This will have all of the characteristics that you think could cause them to behave differently from each other with regards to your products (the same types of characteristics you’d segment on).
- Here is an example of the data-mining process simplified:
  - Example - You want to effectively and efficiently market your 10th Annual Estate Planning Conference.
    - You would grab thousands of records (names with associated characteristics) that you’ve marketed to for all of your estate planning events for the past three years using point-in-time data (maybe more or less years depending on how much data you have available). The records need to have an equal amount of people who’ve purchased and who haven’t purchased. There needs to be a statistically relevant number of orders and non-orders
    - You’ll put that data-set into a data mining software (a free easier to use option is called RapidMiner). You’ll then pick which algorithm to use in the software. An algorithm is a set of calculations that will get you a data mining model. You’ll want to research which algorithm is optimal for the type of data you have.
    - If you’ve entered the data correctly and used the data mining software correctly, the data mining model will present you with likelihood of certain characteristics leading to purchasing behavior.
    - This data mining model will then be applied to your current marketing data for your upcoming 10th Annual Estate Planning Conference. The model will score each possible person you were considering marketing to. You’ll then be able to see who you should and shouldn’t mail based on these scores. This should lead to a more profitable event.
    - This is very basic data mining compared to what the presidential campaigns were doing and yet it can still be very complex.

Here is a more detailed explanation of how you would attempt data-mining:

**Step 1: Train a Model Using a Training Data Set**

- The Training Data Set is simply a table that contains equal parts buyers and non-buyers (2,000-2,500 of each type is ideal to ensure statistical significance, but going as small as 1,000 rows of each may also work if data volume is limited). In the table there is a column that states whether or not a person responded to a past marketing campaign (1
means they registered, 0 means they did not) – this is called the “Output Variable” a/k/a the “Label”. The other columns in the table refer to specific attributes (demographic or behavioral) that were true about a person at the time they were marketed (point-in-time data) – these variables are called “Input Variables”. For best results, minimize how many potential values exist for a given Input Variable, this will make it easier for the algorithm to identify predictive patterns in the data (e.g., don’t use the raw firm size value, instead bucket the values into 3 groups: “Large”, “Medium”, and “Small”). Alternatively you could create multiple variables (“Small Firm?”, “Large Firm?”) where the values are either yes (1) or no (0).

- Insert the Training Data Set into a predictive modeling program (e.g., RapidMiner is free and robust), and run multiple algorithms on the data. This process “trains” a model to identify which combinations of Input Variables are most useful in predicting who will register for an event. The Input Variables should define what a person was (point-in-time) at the time they were marketed for a past event not what they look like today!

<table>
<thead>
<tr>
<th>Example Training Data Set</th>
<th>Output Variable</th>
<th>Input Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Demographic Data</td>
</tr>
<tr>
<td>---</td>
<td>------------</td>
<td>---------------</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>...</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>2,500</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>...</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2,500</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

**Notes:**

| Categorical Variables | Variables that have a few possible values. |
| Binomial Variables (Yes or No) | A simple yes or no variable where 1 = "Yes" and 0 = "No" |
**Step 2: Test the Model Using Real-World Data**

- The model(s) produced from Step 1 are essentially just formulas that assign weights to specific variables – the more predictive an algorithm thinks a variable is, the higher the weight the algorithm will assign to it. Now you need to test these formulas against actual past marketing campaigns. The data used to test the model should not be the same data that was used to train the model. Also whereas the Training Data Set was unnaturally balanced (equal parts buyers and non-buyers), the data used to test the model should follow a normal distribution of what actually happened from the marketing campaign.

- The formulas created in Step 1 will now score every person in the test data set with a score between 0 and 1, where 1 means the person is 100% likely to purchase. Since this is a past marketing campaign, you will know which people actually registered for an event. **How well did the model do in predicting the actual buyers?** If the model gave low scores to people who actually registered for the event and/or high scores to people who didn’t register, then the model is not likely to work in the real-world.

**Step 3: Apply that model to the available names/records that you were considering mailing for an upcoming event. This will produce the scores that tell you who to market to and who not to market to.**

---

**Website and Online Marketing Strategy**

**Website and Online Marketing - 2012 Presidential Campaigns**

In some ways the campaign website is the hub of the entire campaign. From a content standpoint, the key to a good website is to understand the purpose. The Obama Campaign designed their website with some main goals in mind: Quick and easy donations, quick and easy volunteer/get involved information, and information on key issues that supporters and swing voters are interested in. There were not a lot of other items to detract from these goals.

Besides the content of the website there are other marketing/data collection goals. The campaign wants to know how you got to the website, where you’re from geographically, what you’re doing on the website and where you’re going after leaving the website (by placing cookies and using tracking programs). This data is used to help improve the layout of the website, the content of the website, how to improve search engine optimization and helps to determine what keywords to purchase for online marketing/pay per click ads.

Online marketing was a huge growth area for marketing with around 100 million spent by the Obama Campaign on pay per click ads alone through Google AdWords.

**Website and Online Marketing – CLE Organizations**
Sometimes the best message to take away is the easiest, most common sense message. In this case, that message is that a CLE organization should understand what the purpose of their website is and make it as easy as possible for visitors to fulfill that purpose. Don’t dilute that purpose by adding a lot of items to fill up space or to promote lesser goals. Is your main goal to get a person to order a product or event? If so, then the focus of the website should be to make that as easy and straightforward as possible. Is your goal to get new members and show existing members the benefits they receive? If so, then the focus should be on making it easy to sign up for a membership and highlighting the top benefits as simply as possible with little clutter.

A second message to take away from the campaigns is to have analytics available for your website. This means being able to track how your visitors got to your website (direct traffic by typing in domain, e-mail, certain search engines, what search terms were used, etc) and tracking what people are clicking on (and not clicking on) your website. If you understand how customers arrived at your website, your strategy for search engine optimization or online ads might change. If you understand what people are attracted to (and not attracted to) on your website, it will allow you to be able to improve the areas of your website that aren’t providing value. It is also helpful to have analytics available such as conversion metrics. This tracks each step in the process of a person registering for an event. It can help identify at what step you are losing potential customers from fulfilling the purchase.

Lastly, I would say that the increase in pay per click during the campaign shows that, if used correctly, this is an opportunity that CLE organizations should be more attentive to in order to increase traffic to their website. However it would be wise to follow the campaigns cost efficient technique. Testing very specific and relevant keywords, using negative keywords, and using geographic targeting (only paying for people whose IP address is from a certain state/city/etc).

**Social Media Continues to Evolve**

**Social Media – 2012 Presidential Campaigns**

Political campaigns have always been a natural fit for social media. That’s because the strengths of social media include keeping in touch with people who have reached out to them. Through these platforms the campaigns can share information that may be relevant to the target audience, dispute false claims, ask for donations, ask for help with voter turnout and use it as a way to show persuadable people that their friend or family member supports the candidate. According to Pew Research, 30% of people had been told how to vote in online messages from friends and family.

**Social Media – CLE Organizations**

CLE organizations should attempt to use social media (like facebook, twitter, etc), the same way that the campaigns used them. Social media should not be used to just say “sign up for our event next week”. If that’s all you have to say, then there is little reason for a customer/potential customer to stay engaged with you. These people have reached out to you, so you should mix up your message content and share
information that is relevant or helpful to the customer. It should also be used to attract potential customers who aren’t followers of your CLE organization on social media, but have a connection with a customer who does follow you on social media. It’s a peer-to-peer validation of your organization.

**E-mail - Don’t take it for granted**

E-mail – 2012 Presidential Campaign

E-mail is an inexpensive way to replace direct mail marketing contacts to your current customers or, in the case of a campaign, people who have given their e-mail address. E-mail can be a very powerful tool to help you meet your organization’s goals, however there is great downside to it as well. If you misuse or abuse your e-mail contacts, you’ll miss out of the revenue that you could have had and do damage to your brand. The Obama campaign took e-mail marketing very seriously. They had an 18 person staff that was dedicated to e-mail. The campaign realized that not every e-mail is appropriate for every person on your e-mail list. They understood the importance of targeted messaging and tailoring the subject line, copy, call to action and imagery for different groups of individuals. Here are some of the unique ways they approached e-mail marketing according BusinessInsider.com.

- Tested 10,000 Segments during the campaign
- Regularly tested as many as 18 variations of the subject line and e-mail copy
  - According to Bloomberg Businessweek- ugly variations were often the winner if they effectively drew people’s eyes to the right area.
- Could see up to an 80% variation in the versions
- Tested sending fewer e-mails, with mixed results
- One e-mail raised 2.7 million dollars. It was from the President himself warning his supporters that if they don’t step up their donations, he’ll be the first President to ever be outspent during re-election.

E-mail – CLE Organizations

What the Obama campaign understood about e-mail marketing is that your e-mail contact list is one of your most prized possessions as an organization. You need to treat it well and always be testing new ways to use it to create more revenue (or whatever your particular goal is). The big message that we could learn is to not just use the same subject line and copy every time. You could start with something simple by testing 2 different subject lines for the same event (an equal number of e-mails sent for each variation) to see if you can determine what subject line is more effective. As your tests grow, you’ll do split e-mail tests across many different events, increase the number of variations and add in tests for the copy along with the subject line. There is always a way to improve results, but you’ll rarely know if you don’t start testing.
Play to the Strengths of Direct Mail Marketing

Direct Mail Marketing – 2012 Presidential Campaign

Direct mail marketing was still used fairly heavily in the 2012 campaign. It was considered especially important for reaching baby boomers and elderly who many not be as easily targeted with newer technologies. In addition, this marketing channel is used differently than other marketing channels. One of the advantages of direct mail is that you’re able to use more facts, citations, and provide greater detail on information. The political campaigns used this method to dispute false claims, provide voting registration information and directions, as well as providing greater detail for their agenda. A lot of the decision making for how to create and spend direct mail marketing dollars was determined by segmenting and data mining. The Obama campaign spent a large amount of money sending out a booklet to specific swing state voters describing his agenda for the next 4 years within weeks of the election.

Direct Mail Marketing – CLE Organizations

Direct Mail Marketing is often not discussed these days. To many people it’s not as interesting as all the new things happening in the marketing world. But, just because it’s not changing as quickly as other areas of marketing, it doesn’t mean that it’s any less important for CLE organizations or that there aren’t ways to improve what you’re doing.

The most important takeaways from the campaign for direct mail marketing:

- Don’t waste money by sending the same brochure/flyer to each person the same amount of times. If you use the data you’ve collected from segmenting or data mining, you’ll be able to target your mailings much more efficiently and profitably.
- Use the direct mailing piece to create a call to action. Campaigns spend a lot of money telling you exactly how to vote (where to register, when to register, what you need to register, where your polling station is, the hours, etc). Your direct mail piece should do the same by giving the potential customer all the relevant information they need to call in and place the order.
- Not all attorneys are in the demographic that spends huge chunks of time online or on social media websites. Direct mail is still effective for these people. Besides that, even people that spend a lot of time on the internet aren’t all that likely to be interested looking up CLE. Direct mail still catches people who aren’t actively searching you out.
- One of the best benefits of a brochure is that it’s expected that you’ll have a lot of information available to provide a person with all they’ll need to make a purchase. In many other mediums too much information can detract from getting positive results. That is still somewhat true for brochures, but to a much lesser degree.
Digging for Data Gold in Your Organization’s Own Back Yard

By Mark Vesley, Minnesota Continuing Legal Education, St. Paul

Marketing efforts in CLE organizations are likely to depend upon a fairly standard set of demographic and sales information. Previous purchase history, years since admission to the bar, size of law firm, membership in a bar organization section or specialty group, time remaining until the next CLE reporting deadline, zip code...these are the prime pieces of information which drive most mailing and e-mailing campaigns. Beyond these, are there other, untapped data resources hiding in your organization’s database? I’ll look at two potential areas to pursue in this regard.

* * *

In addition to the demographics mentioned above, many marketing departments may also make an effort to record interest and occupational data. Customers may be identified as law enforcement, social workers, mediators, insurance adjusters, real estate brokers, accountants, teachers, and other types of professionals, when that information is solicited or can be ascertained. And, of course, customers call or e-mail and request to be placed on the antitrust, family law, tax, etc., interest lists.

These are good practices, of course, but the main limitation of occupation and interest lists is that they are static. Suzie Smith who asked to be added to the banking law mailing list twelve years ago may have long since moved on to a new field, while her brochures on financial fraud and complex loan litigation seminars pile up unread in the recycling bin. Even when customers have the opportunity to choose their own interest areas, as when they create a profile on a website account, they are unlikely to spend much time revisiting their first preferences.

While it is not always possible to keep track of your customers’ changing legal interests or choice of occupation, it is comparatively more feasible at least to observe where they work. Americans change jobs frequently, and in “voting with their feet” they provide a valuable guide for CLE marketing.

A static banking, criminal law, health law, etc., “interest list” will inevitably grow outdated and inaccurate. A dynamic “affinity list” comprised of law firms, companies, and non-profit organizations associated with a common industry, purpose or set of concerns has the virtue of updating itself every time an individual joins or leaves one of the entities.
How does this work? Let’s say a program planner wishes to market an upcoming seminar on the Affordable Care Act to everyone in your database with an interest in health care. This would include previous attendees of health law programs, members of your local bar’s Health Law section, your health law interest list, and, if you record them, scattered occupations such as “doctor” and “legal nurse consultant.”

Beyond these, however, lies another untapped resource. All the HMO’s, health insurance companies, hospitals, medical centers, clinics, and health-related non-profit organizations and government units in your database should be represented on another, discrete list. With a few keystrokes and clicks all the individuals in your database who are associated with these can be added to your mailing list. You do not need to add an attorney manually to your health law interest list when he or she moves from the attorney general’s office to the State Department of Health; in fact, you don’t even need to know. If someone in customer service who took a seminar registration entered the new address correctly, your attorney is now automatically going to receive advertising for health law-related events. When he or she leaves to return to private DWI practice, you don’t have to remove the name manually from the health law list.

So, the beauty of affinity lists is that they grow and shrink according to where your customers actually work. To keep affinity lists vital, however, some staffing power is required. First, your database must of course have the capability to group customers according to a common mailing address (or set of addresses, in the case of large corporations with multiple operations, or district courts with several offices). The advantages of this for billing purposes and ease of address updating are obvious. Secondly, someone in your organization must be charged with creating the lists of affinity entities—and updating them. If the list contains only the health-related groups in your database from six years ago, it’s no longer dynamic, and the problems with regular interest lists all apply.

Finally, the quality of your affinity list relies on the accuracy and diligence of those employees in your organization who actually answer calls and e-mail from customers and enter order and address information in your database. Anyone who deals with customers should ask for address confirmation during every transaction or interaction; likewise, whoever handles online orders must take pains to ensure that address changes supplied by customers are incorporated in a timely fashion.

That said, customer data integrity should be not be the sole responsibility of the front-line workers in a CLE organization. If possible, the data chief should review all new customer records on a weekly basis, and should have software available that compares the address information in all new and recently modified customer records against a master list of all addresses currently included in all affinity lists. Such software should also routinely scan the
database for potential new address groupings. If three or more individuals appear at the same mailing address, a new grouping is in order, and the data chief should determine if it belongs in an affinity group.

It is possible to dispense with the affinity-list concept altogether and use database capabilities to search directly for keywords in customer records. For instance, a query could return all qualifying records which contain in any field the character strings HEALTH, CARE, MEDIC, INSUR, CLINIC, HOSPITAL, or PHYSIC. While this approach is undeniably simple and powerful, this sample query would miss certain large targets, such as “Blue Cross”. Additionally, today’s fashionable made-up company names like “Ceridian” and “Apria” would escape entirely. By the time someone on your staff has thought of and entered into a list and saved every relevant string, the work involved has become equivalent to creating an affinity list. Keeping track of the ever-changing corporate, government and non-profit landscape must remain a human-managed project.

Affinity lists can include more than just organizations related by common interest. For instance, a list of the 50 largest law firms in the state might be useful, or the 50 largest publicly traded corporations, or a list of every county attorney’s office in the state, or all federal government offices, or all schools, colleges and universities, or all legal aid societies. Each CLE organization will have its own particular groupings to consider.

***

Is there other buried treasure in your CLE back yard? One goal of many consumer products and entertainment companies is to predict what people will like or do or buy based on what other people like and do and buy. A notable application of this idea was the Netflix Prize. Not long ago the well known Internet movie and TV show distribution company set up a prize competition for improvements to its process for suggesting new videos to viewers, based on their own ratings combined with the ratings of others and the viewing history of the millions of Netflix subscribers. Many teams entered the competition, devising new and improved algorithms for predicting viewer interest and satisfaction.

The applicability of this method to the CLE world is probably limited. Conceivably someone could come up with software which looks at the purchase history of all customers and finds patterns; e.g., customers who attended seminars A, B, and C were more likely to attend seminar D than customers who attended seminars E, F, and G. Whether this would be a large improvement over simply advertising to previous purchasers in a given subject area is debatable. It is, of course, possible that a CLE provider could implement such a system and discover that numerous attendees of “Hot Topics in Antitrust Law” are also signing up for “Advanced Family Law Mediation Skills” and plan future marketing campaigns accordingly. But
realistically, experienced CLE program planners already have a fair idea of who will be most interested in any given product. Reaching more of those who are already likely prospects through more diligent database management is probably a more profitable strategy than trying to build predictive software. Regrettably, algorithms which predict consumer behavior are most accurate when applied to data sets including millions of individuals.

Having raised this idea seemingly only to dispose of it, I would nevertheless encourage all data managers to create, if they have not already, a product-purchase “profiling” routine. This kind of application allows the user to enter a course or publication name or unique product identification code, analyzes the purchase history of that group of attendees/purchasers, and returns a list in frequency order of the other recent courses or publications purchased by members of the group. The results may not necessarily be surprising, or predictive, but the use over time of this method at least allows programmers to keep abreast of any sales trends as they develop.

So, perhaps the best investment CLE organizations can make in data management is heightened focus on inputting and maintaining highly accurate customer contact information and aggregating that clean information into useful affinity groups. Human attention, not higher technology, is the key.

**APPENDIX A - Essential demographic information.**

<table>
<thead>
<tr>
<th>Name</th>
<th>E-mail address</th>
<th>CLE reporting date/category/status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Year admitted to bar</td>
<td>Occupation, if non-lawyer</td>
</tr>
<tr>
<td>Firm</td>
<td>State/regional bar membership status</td>
<td>Special legal status (judge, clerk, etc.)</td>
</tr>
<tr>
<td>Street address</td>
<td>State/regional bar section/committee membership</td>
<td>Date record created</td>
</tr>
<tr>
<td>City, state, zip code</td>
<td>Telephone number</td>
<td>Fax number</td>
</tr>
</tbody>
</table>

**APPENDIX B - Examples of possible affinity groups.**

<p>| All law firms | Boutique firms (specializing in IP, ADR, municipal law, etc.) |
| Law firms with more than/fewer than n lawyers | District courts |
| 50 largest law firms in state/region | U.S./state/county/city attorney’s offices |</p>
<table>
<thead>
<tr>
<th>Public defenders’ offices</th>
<th>Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal aid societies</td>
<td>Colleges and universities</td>
</tr>
<tr>
<td>Law schools</td>
<td>Title companies</td>
</tr>
<tr>
<td>Law enforcement agencies</td>
<td>Accounting firms</td>
</tr>
<tr>
<td>State/municipal departments/agencies</td>
<td>Charities/foundations</td>
</tr>
<tr>
<td>50 largest corporations in state/region</td>
<td>Social service organizations</td>
</tr>
<tr>
<td>Fortune 500 corporations</td>
<td>Public utilities</td>
</tr>
<tr>
<td>All non-profit organizations</td>
<td>State legislative bodies and governor’s office</td>
</tr>
<tr>
<td>Insurance companies</td>
<td>Indian tribes</td>
</tr>
<tr>
<td>Health care companies/non-profits/agencies</td>
<td>Airlines/railroads/trucking companies</td>
</tr>
<tr>
<td>Banks, credit unions and financial service organizations</td>
<td><em>Industries with a major local or regional presence</em></td>
</tr>
</tbody>
</table>