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Common Technology Marketing Mistakes and Strategies to Avoid Them

This Technology Marketing Primer is intended as a general guideline for thoughtful marketing discussion. Please seek professional advice for your specific marketing situation before implementing any significant marketing effort.



Introduction

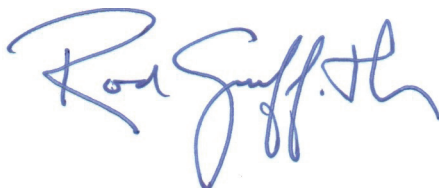
Technology companies offering products or services targeting business customers today are faced with some very specific challenges in their marketing efforts. Short product lifecycles, long sales cycles, rapid introduction of new technologies, changing regulations, narrow windows of competitive opportunity, growing complexity of products or services, training and maintaining a quality sales force, lack of internal marketing expertise, building and supporting a productive reseller channel... the list of barriers to marketing is not short.

Marketing budgets are limited – and often, a large portion of your annual marketing budget is already reserved for known upcoming product launches and event programs, leaving very little flexibility to respond to new marketing opportunities that may arise during the course of the year. In addition, many technology companies (especially smaller ones) delegate their marketing to product development managers who may have strong knowledge of customer needs, but lack real-world, tactical marketing expertise in campaigns, promotions and sales tools.

Through our years (17+) of developing and implementing literally thousands of marketing initiatives for technology companies, we have had the privilege of talking to hundreds of technology companies about these kinds of marketing challenges and issues. The decision to use an outsourced technology marketing firm as ours is almost always the by-product of a previous marketing effort that resulted in disappointing results – and the conclusion that engaging more experienced technology marketing expertise is probably wise.

The following Technology Marketing Primer is drawn from our years of discussions with hundreds of technology companies. It focuses on the six most common mistakes that we see technology companies make in their efforts to market their products, solutions or services—and offers some proven advice on how to avoid these missteps and improve the success of your marketing efforts.

Feedback on our Technology Marketing Primer is highly encouraged. Please don't hesitate to email me at rgriffith@mreach.com with your comments and questions.



Rod Griffith
President & Co-Founder
MarketReach, Inc.



Mistake #1:

Marketing your technology solutions and/or services solely to technologists

There was a time when the simple strategy to offer the highest quality, most advanced technology and related services was enough to generate market-leading sales. The basic thought was “If you build it, they will come.” But those days are gone. The best technology does not always win the market share. One of the primary reasons why we see technology companies struggle to gain market share despite their superior products and services is simply because they’re still trying to sell technology to technologists—and haven’t recognized the paradigm shift in decision making that is occurring in most technology industries today.

This decision making paradigm shift is the continuing trend for companies to make technology decisions based on business goals and strategies – not just solely on technology plans. Thus, the decision for the purchase of technology solutions and services has broadened to a team of decision makers beyond the technologists, often including business strategists, business information directors, and business operations executives – or in the case of small and even mid-sized companies, the company VP or owner.

Identifying today’s true decision makers

Unfortunately, too many technology companies, rightly proud of their products and/or services, continue to market to the audience they’re most comfortable communicating with: other technologists. After all, these are the people who “get it” – who understand the complexities of your technology and truly appreciate your innovative product features or service capabilities.

But the fact is, they are no longer the sole (and often not even the primary) decision maker when it comes to the acquisition of critical technology for their organization. And this is especially true if your technology solutions or services must integrate with an overall company technology infrastructure.

Technology vendor vs. strategic business advisor

When a technology company fails to truly understand this need to focus their marketing beyond the traditional technology users, they end up in an uphill battle to be recognized and known to the true decision makers in the executive offices. We have seen, time after time, companies with superb technology that for years saw excellent growth while selling to highly technical users – but are now facing longer sales cycles (and sales revenues) because purchase decisions are no longer being made in isolated pockets within the technology labs. And because they’re virtually unknown to the business executives within their customers, they’re seen as just another technology vendor at a time when their customers are looking to consolidate their business among a fewer, more tightly-held set of highly-trusted suppliers.

Even if they’re known to the business executives, they are perceived as a technology vendor only – not as a strategic business advisor. The net result is that they’re not gaining the traction and visibility they need to reach today’s true decision makers. Meanwhile, more savvy competitors are grabbing the mindshare of those decision makers.

Steps to Avoid this Mistake

- **Identify and profile today's true decision makers.**

Re-evaluate and identify who today's true decision makers are in the new paradigm. Profile them in detail to examine their roles, their personal and business goals, their strategic objectives, and their influencers—the sources of information they go to for insights and perspective on potential solutions.

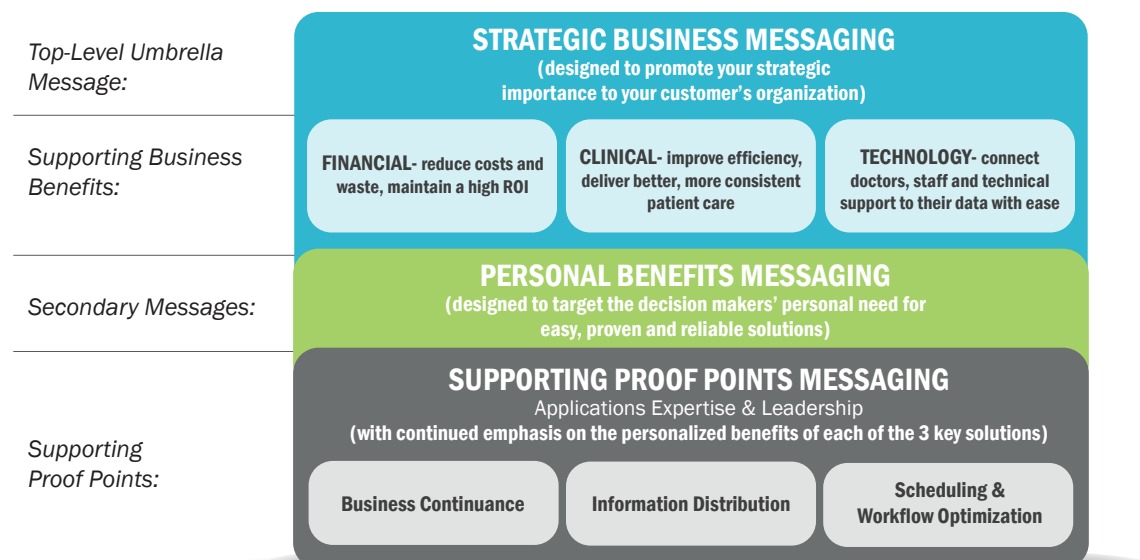
- **Create Strategic Message Maps.**

Create Strategic Message Maps designed to communicate your most relevant and differentiated value proposition for the true decision makers. This should include your primary value proposition, strategic elevator pitches, supporting sales messages, promotional theme messages, etc. This also means that your messaging must be broadened beyond the traditional technical features and benefits—and communicate why your company (and its products and/or services) are most qualified to help solve the strategic business challenges your customers face today.

- **Ensure that your brand identity is designed specifically to support your strategic messaging.**

If your brand identity no longer supports your new strategic messaging given the paradigm shift in decision making, then it's potentially time to revamp it. However, we urge caution in examining the revamp of your brand identity. A revamp does not necessarily require the abandonment of your previous brand for the sake of a completely new brand. A rush to revitalize your brand too drastically can result in losing the equity that your brand has built over the years. It may be best to implement changes in carefully planned stages so as not to fully abandon your previous company brand identity. We urge that you seek professional guidance in any major brand revitalization effort.

An example of a typical Message Map framework:



Mistake #2:

Focusing too much of your marketing efforts on creating awareness – and not mindshare

The primary flaw of many outbound marketing campaigns implemented by technology companies today is the simple fact that they focus on creating awareness for a company and its solution(s) – instead of focusing on creating mindshare.

Awareness has been a primary goal of marketing in the U.S. for at least 50 years. It's the first chapter of every Marketing 101 curriculum. So what's wrong with awareness? It's too inefficient for most B2B markets.

Understanding your awareness-to-purchase timeframe

Consumer marketers rely on a constant barrage of market visibility initiatives – advertisements, direct marketing and promotions are almost non-stop (with minor seasonal fluctuations). If you're selling laundry detergent, the average consumer is likely going to have a need for detergent within the next 2–3 weeks. If they see your ads running regularly, they'll be hopefully swayed to buy your product when they do need it in the next few weeks. The awareness-to-purchase timeframe is brief.

As the complexity of the product or service that you're marketing rises, the awareness-to-purchase timeframe expands. You see an ad for the latest Apple iPod, and you want one, but it may be several weeks or even a few months before you decide to buy it (you may, for example, need more time to save up for it).

However, in the world of business-to-business marketing for technology solutions and services, the awareness-to-purchase timeframe (the true sales cycle) can easily be six to nine months or much longer. When you launch your marketing campaign, such as an email or telemarketing campaign, you're relying on the sheer chance that you

reach decision makers who happen to recognize that they need your solution – and need it soon. You cannot expect them to remember your email nine months from now when they finally reach the conclusion that they need to purchase something. But that's precisely what too many technology marketing campaigns rely on today.

Awareness is relative to time

Awareness is a measurement that's relative to a specific point in time. How aware someone is of your company and solutions depends on when you ask them. They may be fully aware of your solutions a day or perhaps even a week after they've received and read your email, visited your booth at a trade show, or visited your website. But the chances are low they'll still be aware of your company (and its strategic differentiation) nine months later when they've finally concluded that they really need a solution to the problem your product or service is designed to solve.

And that's the flaw with most B2B outbound marketing campaigns: they don't recognize that awareness is very fleeting. When your prospective customer reads your email campaign or direct mailer, talks to your telesales rep, or visits your trade show exhibit, their awareness of you peaks right away. If the business problem that your technology solution solves happens to be a high priority concern on their mind at that moment, you're in luck. But if that business problem won't become a high priority for that company for another several weeks or months, they're not likely going to remember you if you're not already a well-known company in your industry.

Under pressure to generate new sales leads, many technology companies today rush forward with ill-planned outbound marketing campaigns that focus too much on awareness – and not on mindshare.

Steps to Avoid this Mistake

- **Understand the value difference between awareness (fleeting) and mindshare (long-term).**

Mindshare is awareness extended over time. To build mindshare among prospective customers means that you're extending the amount of time they are aware of your company and solutions (and the unique value that makes you ideally suited for their business – your value proposition). To focus your marketing efforts on building mindshare, they must be designed not only to find and qualify interested sales leads, but they must also establish and maintain an ongoing relationship with those other contacts that are not yet qualified or ready for sales discussions. That is accomplished through what we call “incubation programs” – which are designed to nurture leads and build their warmth over time.

Establishing awareness, thus, isn't nearly as valuable as establishing mindshare. Awareness begins to disintegrate the moment it exists. When you establish customer mindshare, on the other hand, you've not only created awareness, but you've extended that awareness over time by maintaining a relationship with that prospective customer. In doing so, you no longer have to rely so heavily on the chance that your awareness happens to occur simultaneous to their recognized need for your technology solution(s).

By building mindshare – not just awareness – you're greatly improving the opportunity for the customer's recognized need to occur concurrently with their awareness of your solution(s). And that's how you win new business. So take a close look at your marketing campaign efforts. Stop generating only awareness – and start generating mindshare.

- **Use multiple “reach vehicles.”**

Examine your marketing plans and make sure you carefully spread your outbound marketing efforts across multiple “reach vehicles” – providing the means to reach your target markets and gain their attention and mindshare. Relying solely on one reach vehicle repeatedly – email, for example – is typically not as effective as reaching your target audiences through multiple vehicles (e.g., email, banner ads, newsletters, blogs, etc.).

- **Make a secondary offer in your campaigns.**

The primary call-to-action for most campaigns should focus on identifying and qualifying real, active sales opportunities. So the primary promotional offers should support this. However, it costs little or nothing to also include a secondary offer designed for those who are not quite ready to talk to a salesperson or view/watch a demonstration, for example. For those not-yet-qualified contacts, a secondary offer for a free newsletter, white paper, or technology primer allows the opportunity for you to establish a relationship with that contact.



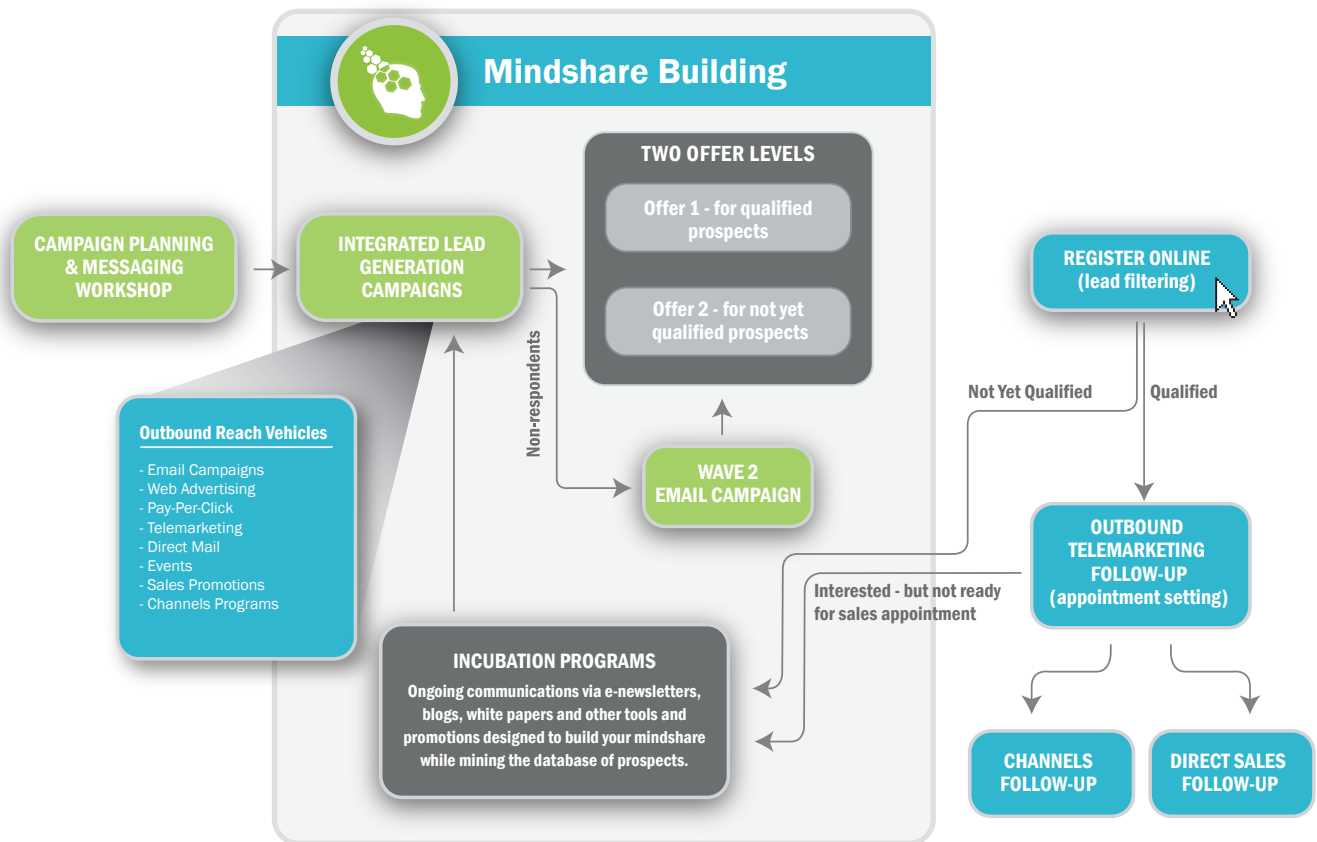
Steps to Avoid this Mistake (continued from previous page)

● **Build incubation programs to keep those not-yet-qualified leads warm.**

Ongoing e-newsletters, online webinars, free resources, and other tools should be created and launched on a scheduled basis to continue to build mindshare (awareness extended over time) with those contacts. Try to communicate at least every other month to your list of contacts. Give them a reason to come back to your website to find additional, useful (and free) resources, download a white paper, or request participation in a webinar or tutorial. The primary goal here is to build up your mindshare within these contacts so when their priorities change and it becomes time to truly get serious about finding a solution to their business challenges, you're the first one they think of to contact.

Below is an example of a well-designed, integrated marketing campaign that focuses on building mindshare using these incubation program concepts.

MarketReach's Integrated Campaign Model



Mistake #3:

Lack of a truly differentiating value proposition

As an experiment, take a look at your competitors' websites and sales collateral, and you'll probably see that 95% or more of the content will read very similar to your website and sales collateral – sharing a vast number of similar buzzwords, phrases and language. And that's the problem today: technology differences between competing solutions or services are often very subtle, and difficult to explain simply and briefly.

But the execution isn't simple – and that's because creating a truly differentiating value proposition that helps customer understand that the uniqueness making you best qualified to solve their problems takes careful thought and examination. It's often easier to revert to very common, accepted industry language and buzzwords that appears professional and accurate – but serves little to stand you apart from your competitors.

Furthermore, many technology companies – especially smaller companies – lack the marketing expertise (or the time) to really build a working, effective value proposition. The tendency for technologists is to revert to the technical details of the products or services – their technical features and benefits – which rarely serve to truly differentiate your company at the strategic decision making level.

Here are just some of the common phrases seen often in marketing collateral and websites for technology companies:

- solutions-focused
- best-in-class
- best-of-breed
- superior technology
- latest innovations
- leading-edge
- cutting-edge
- results-oriented
- high-performance
- comprehensive solution
- complete portfolio of services
- mission-critical
- customer proven
- the experience to get it done right
- powerful solutions
- latest technology advances
- best practices
- sets a new standard
- lower total cost of ownership
- accelerate business performance
- highly flexible/agile
- unified infrastructure
- reduces/mitigates risk
- thought leadership
- complete, integrated solution
- industry-leading technology

There's nothing inherently wrong with any of this language. But too much use of common language reduce both its impact and the ability to differentiate your products and/or services.



Steps to Avoid this Mistake

- **Take the time to answer the big question: what makes you uniquely qualified to best solve the problems your customers are most concerned with?**

This challenge sounds simple: find out what keeps your customers awake at night in worry – and help them understand why your company is uniquely qualified to solve that problem more effectively than any other solution. But coming up with that answer isn't as easy. Take the time to make sure your messaging truly reflects the uniqueness that sets you apart.

- **Don't rely on your own opinions – talk to customers.**

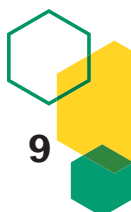
Talk to your customers. Find out why they really selected your products or services – not just the features and technology, but why they trusted you as their provider. Find out what made you stand out from your competitors. You may want to consider hosting a customer web survey to allow customers to provide answers more anonymously (we suggest a nominal gift incentive as well).

- **Avoid “Me-Too” speak.**

It's very easy to revert to common industry buzzwords and language (see the list of common language on the previous page). Avoid it where possible. You'll end up with pages of “Me-Too” speak—language that reads just like all of your competitors' sales messages. Look at your competitors' websites and sales material and find out what they're saying and how they're saying it – and then be different.

- **Your value proposition truly matters – so give it your time and energy – and revisit it regularly to ensure its relevancy.**

Your customers are awash in sales messaging from your competitors. It all blurs together and looks the same over time. The companies that stand out – and get the mindshare of the customer – are those that create value propositions that truly (and succinctly) get to the heart of their differentiation. As you develop and launch new products or services, and as your competitors do likewise, it is important to revisit your value proposition regularly to ensure it remains viable and continues to communicate your true uniqueness. Consider running a Value Proposition Workshop to get your team working together to build and collaborate on the defining of your value proposition.



Mistake #4:

Overloading your prospective customers with too much information

There's nothing wrong with being proud of your innovative solutions and services. You've spent years developing great technology and you want to show it off – that's natural. Unfortunately, too many technology companies today feel the need to bombard prospective customers with a detailed, lengthy list of features and benefits – and their supporting proof points that provide highly detailed proof of your product/service's superiority in technology.

Just look at the websites of most technology companies today. The home page alone is often bogged down with paragraphs of detailed technology discussion and industry buzzwords. The “Solutions” and/or “Services” pages are far worse – often including long lists of bulleted features and benefits touting the detailed technology innovations, solutions infrastructures, and service methodologies. Detailed product/service specifications are not why a company is going to contact you to establish a potential new relationship. It's the strategic messaging that counts most (and first) – and all of those technical specifications are serving to dilute your strategic messages.

Technical details in the sales cycle

In addition, your technical specifications—while important to make available later in the sales cycle—are not going to get you the attention and mindshare of the strategic business decision makers today. There's a time and a place for technical details – but it's not something that should appear in the earliest stage of the sales cycle when prospective customers are trying simply to identify who are the viable potential vendors to talk to.

As discussed earlier in this primer, technology purchase decisions are no longer made solely by technologists. As more and more business and operational team members become involved in the decision process for technology purchases, it becomes even more important not to overload your marketing materials, presentations and websites with too much information.

There are several real risks involved with this:

1. Strategic business decision makers may not have the technical knowledge to understand the value of all those technical features and specifications.
2. Technical details tend to include much of the common “Me-Too” language discussed earlier, serving to dilute the impact of your sales messaging while reducing your ability to establish a truly differentiated image among the business decision makers.
3. The heavy technical details may serve to intimidate and/or frustrate the non-technical business decision makers who are anxious to understand your true value proposition but do not have the time or energy to try to distill it from your lengthy technical discussions. Or, they may otherwise misinterpret your primary messaging and make inaccurate or unintended conclusions about your company and/or offerings.
4. Most importantly, the messaging you need technologists to understand may be significantly different than the business messaging you need operations and/or business management leaders to recognize and understand.

The bottom line is: too much information provided too early in the sales cycle can have the exact opposite, negative impact on your ability to gain the mindshare you need to keep you on that short list of vendors.



Steps to Avoid this Mistake

- **Edit. Edit. Edit.**

Take your current marketing materials and edit their content down now (especially website home pages, which should be clean and succinct).

- **Map your customer sales cycle.**

Map your customer sales cycle to define how information should be best communicated to prospective customers. When a potential new customer first comes to your website, or enters your trade show booth, or receives your email for the first time, they need to understand four things first and foremost – and they need to understand these things promptly (or you risk losing their interest and attention):

A) Who are you? (your identity and brand)

B) What do you do? (your primary offering and the primary challenge that it helps address)

C) To whom do you do it for? (your primary target customer audience)

D) What makes you uniquely qualified to address this primary challenge? (your differentiation)

- **Tell your story – in a series of layers.**

Once the prospective customers have understood the four key elements discussed above, you must provide additional secondary messaging that further enhances your differentiation and supports your claims – including proof points. It's important that you prioritize this information into logical groups in the order the information should be revealed in. Think of your communications strategy as an onion – where the outer layer is your primary messaging, and each inner layer is an additional set of messaging that further tells your story.

Sales messaging should be communicated in layers, allowing the customer to select and advance themselves in their knowledge gathering as they see fit. This will serve to avoid bombarding them with too much information. And that's key – as too much information too soon in their research and investigation can not only dilute your key messaging, but can also cause potential customers to become overwhelmed, confused or otherwise make wrong assumptions and conclusions that hurt your sales opportunity. See the sample messaging map framework diagram on page 4 for an example of how sales messaging is organized in these layers.

Mistake #5:

Placing the focus on marketing your technology – but not enough on marketing your company

In many technology markets where significant customer education is required due to the complexity and/or the newness of the technology involved, it's quite common for technology companies to place a considerable amount of their marketing focus on selling the general technology – but very little focus on marketing their company. That is, they spend a large portion of their attention and resources communicating what the technology is, how it works, and why it's superior to other technologies. They may do a fine job of convincing the customer that the technology is viable, reliable and well-suited to solve their specific needs – but they fail to convince the customer that *they* are the best company to provide this technology.

Your company vs. your technology

Unless they're the sole owner of this technology (rarely the case these days), companies that focus too much of their marketing on their products end up helping their competitors by accelerating the customer's sales cycle – but not winning the actual business. Significant time invested in educating the customer on the technology may not always result in convincing them that you're the best company to provide the technology. Before you can sell your technology, you have to sell your company. Many smaller technology companies are especially reluctant to focus any attention on their company because they don't want customers to know how small they are, or that they outsource their development, for example. They're much more comfortable talking about their technology. And their marketing reflects this (see sidebar).

This isn't limited to small companies, though. Many larger technology companies also fail to market their company as well as they market their technology.

The Small Company Marketing Confidence Dilemma

Our experience is that many small technology companies have strong confidence in their products or services, but are fearful of raising too much visibility for their company due to its small size. In an attempt to appear larger, they simply avoid any visibility on their company, focusing their marketing almost solely on their product or service.

For lower priced products or services, the need to establish a company identity isn't as strong (especially if you sell mostly through resellers or directly via online channels). But more complex technology solutions typically require a consultative sale – and a strong company identity.

The superiority of your product or service may have little correlation to your sales if prospective customers lack confidence that you're a viable, reachable and responsive company. Avoiding discussion and promotion of your company because of its young age, small size, or lack of a large customer base is common, but not recommended.

There are means to carefully promote your company as a viable, responsive business while reducing concerns for its small size or young age. A small and/or young technology company can be shown to have significant and real positive benefits over larger companies with the right, careful messaging strategies.

The bottom line is that well-designed messaging maps can define messaging to leverage the positive elements of a small and/or young technology company, allowing you to confidently promote and market your company – not just your products or services.



Steps to Avoid this Mistake

- **Define and tell your company story.**

Your company is a vital part of your solution. Even if you're selling through channel resellers, your company matters in the customer decision process. Your company history, philosophy, experience and leadership can all be part of defining your company story. Be sure to review your sales messaging and marketing materials to ensure your story isn't all about your products/services alone. Make sure you're telling your company story within your sales messaging and supporting points.

- **Find and leverage the positives.**

You're in business for a reason. Tell the story that explains why your company is viable and capable. Find the positive elements that help make you attractive and/or unique – and leverage them. (For example, if you're a small company: greater attention to customers, more flexibility, stronger focus on singular product, etc.). If you're a new company and don't have much history, explain the background of the founders and why they chose this time to start a new company. While you don't need to emphasize your young age or small business size, you don't need to deny it, either. Every highly successful company was young and small once. And younger companies can better leverage the latest innovations, technologies and methodologies while avoiding the technology strategies that have turned into negative challenges for older companies (e.g., basing their solution on technology that is becoming obsolete).

The bottom line is: you need a good story to tell that defines and differentiates both your company and your products/services. With careful messaging planning, you don't need to be fearful of your small company size or young company age.

Mistake #6:

Not recognizing your most formidable competitor: the decision to do nothing

While traditional marketing training and education provides focus on how to analyze and thwart competitors, not enough attention is spent on how to overcome your most formidable competitor: the decision to do nothing. It's vital that your marketing efforts are designed not simply to promote your solutions or services as superior to the competitors' – but to make it also clear that doing nothing is a poor decision posing significant potential risk and consequences.

Many technology companies fail to consider this very significant “competitor” in their marketing. It's easy to become focused on positioning and messaging designed to show one's products or services are superior to others available. But it's not as often that we truly think about how to also ensure we're addressing the customer's potential decision to do nothing (or to significantly delay any purchase action).

By not proactively addressing this very real customer non-decision option, you run the risk of spending significant time, money and energy proving to customers that you have the best products or services with superior technology – but not convincing the customer that doing nothing or delaying purchase until next year is just not an alternative worth considering.

A Brief Case Study

A \$20 million technology company that designs, manufactures and sells shop floor control equipment and software had gained an opportunity to meet with the plant manager at a major New England shoe and clothing company. Expecting heavy competition for the business, the small high tech company produced a dynamic sales presentation and solution demonstration that showed the superiority of its data collection terminals, bar code scanners, and software application—with a side-by-side comparison against the top three industry-leading vendors' solutions. The demonstration and presentation went flawlessly, and they left feeling confident that there was no way any of the major competitors could have produced a stronger sales presentation.

After almost a month of unreturned calls to the primary contact at the customer site, it was finally revealed that in fact, a decision had been made: the decision to do nothing.

The sales and marketing effort had focused on proving their solution's technical superiority over other competing vendors' solutions. However, they failed to convince the clothing company that the time, expense and training effort required to implement such technology would prove to be of strong enough benefit—given that their clothing products are constantly changing from season to season, with many components outsourced to companies around the world.

The vendor's advertising, sales material, website content, sales presentation, and demonstrations were all designed and focused on proving their competitive superiority – but failed to acknowledge and address their most formidable competitor: the decision to do nothing. And no sale was achieved despite a significant effort.



Steps to Avoid this Mistake

- **Highlight the risks of doing nothing (or significantly delaying a decision).**

Evaluate your current marketing messaging to ensure that it clearly communicates to customers the significant risks involved with not implementing your technology or services. Identify all the risks involved with the decision to do nothing – and use them in your marketing materials.
- **Treat the decision to do nothing as if it's one of your largest competitors.**

Because it is. Study it, know it, and be prepared to address and combat any benefits the decision to do nothing may be perceived to offer (such as saving money in the short term, avoiding the hassle of introducing a new technology, etc.). As with your major competitors, you should be prepared to perform a quick assessment to quantify the true, long-term costs of doing nothing when compared to implementing your solution or services (e.g., total cost of ownership over time).
- **In your outbound marketing campaigns, create a sense of urgency.**

It's vital to thwart any potential decision to either do nothing or delay a decision. Don't be afraid to use fear in your marketing and advertising – it's still one of the most effective sales incentives. Help your prospective customers understand that while doing nothing (or significantly delaying any purchase decision) may seem an easy, money-saving decision, the risks involved are far too great to overcome those short-term savings.

About MarketReach, Inc.

Founded in 1994, MarketReach, Inc. is a marketing services integrator that specializes in the design, management, and implementation of business-to-business (B2B) marketing programs for technology markets. We extend your marketing arm by offering a

wide range of strategic and tactical marketing services designed and proven to help technology solutions and services companies more effectively reach technical and business decision makers.



MarketReach Strategic & Tactical Marketing Services Portfolio

Because of our technology marketing focus, we understand your target markets, their challenges and pressures. And we require less ramp-up time to develop and launch effective marketing programs, communications, campaigns and events that will lead to meaningful, measurable business – while improving your return on marketing investments.



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