



June 2004 Issue

The highly successful MPM Forum takes center stage in this issue of Marketing Magnified. We lead with a summary of the technology industry's first-ever Marketing Performance Measurement (MPM) Forum.

Editor's Cut

A capacity crowd of nearly 125 tech marketers interested in how to measure.

First-Ever MPM Forum Blasts Off in New York

For the nearly 125 marketing executives who gathered in New York.

10 Steps for Successful Corporate Branding

Corporate branding is potentially a strong tool for re-aligning...

Dealing With Commoditization: Finding New Ways to Add Value to Customers' Changing Lives

Today's marketing strategists are faced with a critical challenge...

Marketing in an Information Blizzard: How Less Can Be More in Today's Market

Talk with any marketer who has been around for more than ten years...

Gear Up Your Marketing in a Slow Economy So You'll Succeed When It Turns

You're concerned. Revenues are down or flat. Things had been going...

8 Quick Steps to Better Analyst Relations

Technology marketers are working hard to build proactive, strategic...

The Download

Technology companies are moving back into growth mode...

Editor's Cut



A capacity crowd of nearly 125 tech marketers interested in how to measure marketing performance jammed BusinessWeek's 50th floor conference room on June 9 to hear the groundbreaking Marketing Performance Measurement (MPM) research, best practices, software solutions, and CEO views on the subject.

What is truly remarkable about the MPM initiative is that the technology industry has taken the lead in the hottest marketing and management issue of the past several years. Virtually no other industry or industry group has developed the body of knowledge that was presented at the MPM Forum.

BusinessWeek's investigation of CMOs and C-level executives in other industries showed that interest in MPM and the development of formal MPM systems were lower than the technology industry. That is partly due to marketing's importance to consumer businesses but it also reflects technology's left-brain leadership and the impact of the severe tech downturn. Further, a scan of major marketing associations like the AAAA, ANA, AMA, PRSA, etc. found only the DMA - reflecting the MPM research findings that tech marketers believe direct marketing activities are the easiest to measure - had any focus at all on measurement studies.

The MPM research findings clearly indicate that tech CMOs are focused on improving marketing processes and optimizing spend. Forum participants actively engaged in the first-ever focus on MPM issues and peppered participants with questions throughout the half-day session.

The BusinessWeek and CMO Council research studies benchmarked the state of MPM from both the CMO and C-level executive point of view. The C-level perspective was brought to life at lunch with no-holds-barred views from three leading tech CEOs. MPM solution providers told the audience that help is coming from the rapidly emerging Marketing Resource Management (MRM) industry segment and the CMO Council announced additional MPM services that will roll-out by the time the annual Summit arrives in October. The Best Practices panel proved that a few tech companies are starting to get their arms around the measurement issue but pointed out that there are still many barriers to overcome.

Tech will continue to pave the way in measuring marketing performance. Mark October 7- 8 on your calendar now. The MPM Task Force Team has a half-day scheduled at the annual Summit in Monterey, California to unveil the groundbreaking MPM Model that is the Council's number one initiative this year. Be sure to [reserve early](#). Some did not for the MPM Forum and missed a very special day. Check [the home page of the Council's website](#) for details. [Register](#) ➔

Marketing Magnified's managing editor is Robert Nelson, a brand marketing consultant based in Puerto Vallarta, Mexico. He can be contacted at: nelsonbranding@pvnet.com.mx or <http://www.nelsonbranding.com>.

First-Ever MPM Forum Blasts Off in New York

For the nearly 125 marketing executives who gathered in New York on June 9 to hear the findings from the CMO Council's landmark study on Marketing Performance Measurement (MPM), BusinessWeek's exploration of C-level MPM views, and three lively MPM panels, the day's presentations informed, engaged, and enlightened.

Measuring marketing performance has been placed on the front burner by the technology industry, which has taken the lead in the hottest marketing and management issue of the past several years. Virtually no other industry or industry group has developed the body of knowledge that was presented at the MPM Forum.

The key takeaway from the Forum was companies with formalized MPM systems - which are few - outperform the market in terms of sales growth, market share, and profitability and have high levels of CEO satisfaction with the marketing function.

Keeping the CEO satisfied and improving marketing's value perceptions within the organization is a key benefit of MPM systems. CEO panel member Jeff Rodek, chairman and CEO of the Business Performance Management software firm Hyperion, said until he saw the presentations at this event, he did not fully understand just how much responsibility goes with being a CMO.

The MPM Forum kicked off with an overview of the MPM initiative, a progress report on what has been accomplished to date and what will be completed over the next several months, culminating in a technology industry MPM Model presentation at the annual CMO Council Summit in Monterey, California October 7 and 8.

The Council's Measures + Metrics quantitative research and BusinessWeek's C-level MPM views findings were the main event, presented by MPM Task Force member Don O'Sullivan and BusinessWeek's Senior VP of Marketing and Business Development, Keith Fox. A key CMO finding was a stunning gap between what companies say they want to do and what they actually do. Attendees learned that 91 percent of the companies surveyed reported that MPM is a high priority or moderate priority, yet less than 17 percent have adopted a formal MPM system. At the same time, nearly half the respondents acknowledged that MPM is less than one percent of their overall marketing budget. On the bright side, 58 percent of the companies plan to increase their MPM budgets within the next two years.

BusinessWeek reported that only 77percent of C-level executives consider MPM a high or moderate priority, but 17 percent said they have a formal system in place, matching the CMO response.

The MPM Best Practices panel was moderated by Rich Vancil, IDC's VP of Technology Marketing Research and featured CMOs from Pitney Bowes, Orca Network, Symantec, and Tektronix who testified to the difficulty of developing MPM systems. Tektronix CMO Martyn Etherington - who began developing a system over two years ago - told the audience that a "measurement culture" did not exist at his company when he arrived but after two years of developing the system and proving marketing ROI, MPM is supported throughout the organization. "The 20 percent who did not believe that marketing could be measured are no longer with us," he said.

The Measures + Metrics study showed that eight out of 10 tech CMOs cannot recall the name of any MPM solution providers, so the Solutions Provider panel - moderated by *Sales & Marketing Management's* Senior Editor Jenny Gilbert - was well received. IDC refers to this new category as Marketing Resource Management (MRM). Cognos, Unica, and Biz360 showcased their solutions and underscored the findings from the MPM studies. Several panelists cautioned against relying

on technology tools alone to measure the performance of marketing initiatives. "Technology," said Unica's vice president of marketing Carol Meyers to a very tech-savvy audience, "is not a magic elixir."

The significance of the MPM Forum was emphasized by opinions shared by the CEO luncheon panel: Hyperion's Jeff Rodek, Cognizant's Lakshmi Narayanan, and Borland's Dale Fuller. Panel moderator Bill Holstein, Editor-in-Chief of *Chief Executive* magazine, began the "CEO Perspectives & Pointers" panel by showing the results of a CEO poll conducted by his magazine that found only 18 percent of CEOs were very satisfied with the performance of their marketing departments, which coincidentally mirrors the same percentage of CMOs and C-level executives who say they have a formal MPM system in place.

The CEOs on the panel also were shocked to learn that more than a quarter of their peers were not involved in their companies' marketing initiatives. Dale Fuller was blunt about how important marketing should be to a corporation. He thinks there should be more CMOs on corporate boards. And, he thinks CMOs should be intimately involved not just in building a corporate identity, but also in developing the corporate mission and business goals.

As for what CEOs want from their CMOs, Jeff Rodek said strategic thinking, Dale Fuller placed focus on fast, effective development of new opportunities, and Lakshmi Narayanan asked for CMO emphasis on determining leading indicators.

The MPM Forum confirmed that technology organizations need and want better measurement tools and systems to analyze the ROI impact and value of marketing programs. Ninety-five percent of those who filled out evaluation forms indicated the event met or exceeded their expectations, 94 percent said they would recommend the program to their peers, and 97 percent noted they would attend similar events in the future.

The CMO Council's Measures + Metrics research and BusinessWeeks C-level MPM research is available for viewing on the Council's web site. A DVD of the complete MPM Forum content will be available for ordering from the web site.

10 Steps for Successful Corporate Branding

Corporate branding is potentially a strong tool for re-aligning a corporate strategy and ensures that the corporation - big or small - is adequately leveraging its untapped internal and external resources. A strong CEO and a dedicated management team are always seeking to raise their own bars and be change agents for their corporations, backed by a strong corporate branding strategy. A well-drafted and professionally managed corporate branding strategy and implementation plan can be a powerful component of the boardroom work.

There are 10 crucial steps on the way to a successful corporate branding strategy and they can serve as a useful guide for any corporate branding project.

The CEO needs to lead the brand strategy work.

The starting point for corporate branding must be the boardroom, which also serves as the most important checkpoint during the project. The CEO must be personally involved in the brand strategy work; he/she must be passionate, with full buy-in to the idea of branding. To ensure success, the CEO must be backed by a strong brand management team of senior contributors who can facilitate continuous development and integration of the new strategy.

Build your own model as not every model suits all.

All companies have their own specific requirements, own sets of business values, and a unique way of doing things. Therefore, even the best and most comprehensive branding models have to be tailored to these needs and requirements. Often, only a few but important adjustments are needed to align your model with other similar business models and strategies in the company to create a simplified toolbox. Remember that branding is the face of a business strategy so these two areas must go hand in hand.

Involve your stakeholders including the customers.

Who knows more about your company than customers, employees, and many other stakeholders? This is common sense, but many companies forget these simple and easily accessible sources of valuable information for the branding strategy. A simple rule is to use five percent of the marketing budget on research and at least obtain a fair picture of the current business landscape including the current brand image among stakeholders, brand positioning, and also any critical paths ahead. Simply, do not forget the valuable voice of your customers in this process.

Advance the corporate vision.

The corporate branding strategy is an excellent channel for advancing the corporate vision throughout the company. It allows the management to involve, educate, and align everyone around the corporate objectives, values, and future pathway. It provides a guiding star and leads everyone in the same direction. The internal efforts are at least 50 percent of making a corporate branding strategy successful.

Exploit new technology.

Modern technology should play a part of a successful corporate branding strategy. Technology helps to gain effectiveness and improve the competitive edge of the corporation. A well-designed and fully updated Intranet is a must in today's working environment, which has become increasingly virtual with employees working from home, from other locations, and traveling across the globe, to name only a few factors. An Extranet can facilitate a much more seamless integration with strategic partners, suppliers and customers, avoid time consuming paper work, and manual handling of many issues.

A company website is not only a must, it is a crucial channel for any modern corporation regardless of size. If the corporation is not accessible on the Internet, it does not exist! The more professional the website, the better the perception among Internet savvy modern customers. Gone are the days when corporations could get along with a business card portrayed on the Internet.

Empower people to become brand ambassadors.

The most important asset in a corporation is its people. They interact every day with colleagues, customers, suppliers, competitors, and industry experts, to name a few. But they also interact with an impressive number of people totally disconnected to the corporation in form of family members, friends, former colleagues, and many others. They serve as the corporation's most important brand ambassadors. This word-of-mouth can be extremely valuable and have a great impact on the overall corporate brand image.

The most effective way to turn employees into brand ambassadors is to train everyone adequately in the corporate brand strategy (vision, values, personality etc.), making sure they fully understand - and believe - what exactly the corporation aims at being in the minds of its customers and stakeholders. Nike is a brand that is known for its efforts in educating and empowering everyone employed by the company to be strong brand ambassadors.

Create the right delivery system.

The corporate brand is the face of the business strategy and basically it promises what all stakeholders should expect from the corporation. Therefore, the delivery of the right products and services with all the implications this entails should be carefully scrutinized and evaluated on performance before any corporation starts a corporate branding project. Think of the cradle to grave concept of a lifelong customer and the value he/she will provide in such a time span. Make sure that customer is handled with outstanding care according to internal specifications and outside expectations. The moment of truth is when the corporate brand promise is delivered well - and it does not hurt if the corporation exceeds customer expectations.

Singapore Airlines runs a very rigid, detailed, and in-depth description of customer touch points with the corporation. Resources are spent on making sure this expectation is met every time with every customer. All employees from Singapore Airlines regardless of title and rank spend a significant amount of workdays being trained every year.

Communicate!

Bring the corporate brand to life through a range of well-planned, well-executed marketing activities, and make sure the overall messages are consistent, clear, and relevant to the target audiences. Make sure the various messages are concise and easy to comprehend. Do not try to communicate every single point from the corporate branding strategy. Instead, a selective approach will make much more impact using the same resources.

Measure the brand performance.

A brand is accountable and this is no different from a corporate brand. How much value does it provide to the corporation and how instrumental is the brand in securing competitiveness? These are some of the questions that need to be answered and the CEO will automatically seek as part of a commitment to run the strategy successfully. Brand equity consists of various individually tailor-made key performance indicators (including the financial brand value) and needs to be tracked regularly. A brand scorecard can provide an overview of brand equity and its progression as the strategy is implemented.

Adjust relentlessly and be ready to raise your own bar all the time.

The business landscape is changing almost every day in every industry. Hence the corporation needs to evaluate and possibly adjust the corporate branding strategy on a regular basis. Obviously, a corporate brand should stay relevant, differentiated, and consistent throughout time,

so it is a crucial balance. The basic parts of the corporate branding strategy like vision, identity, personality, and values should not be changed often, as they are the fundamental components. Instead changes should be small and involve the thousands of daily actions and interpersonal behaviors, which the corporation employs as part of the brand marketing efforts. But make sure complacency does not take root in the organization and affect the goal setting.

Strong brands are those driven forward by owners who never get tired of raising their own bars. They become their own change agents - and brand champions for great brands.

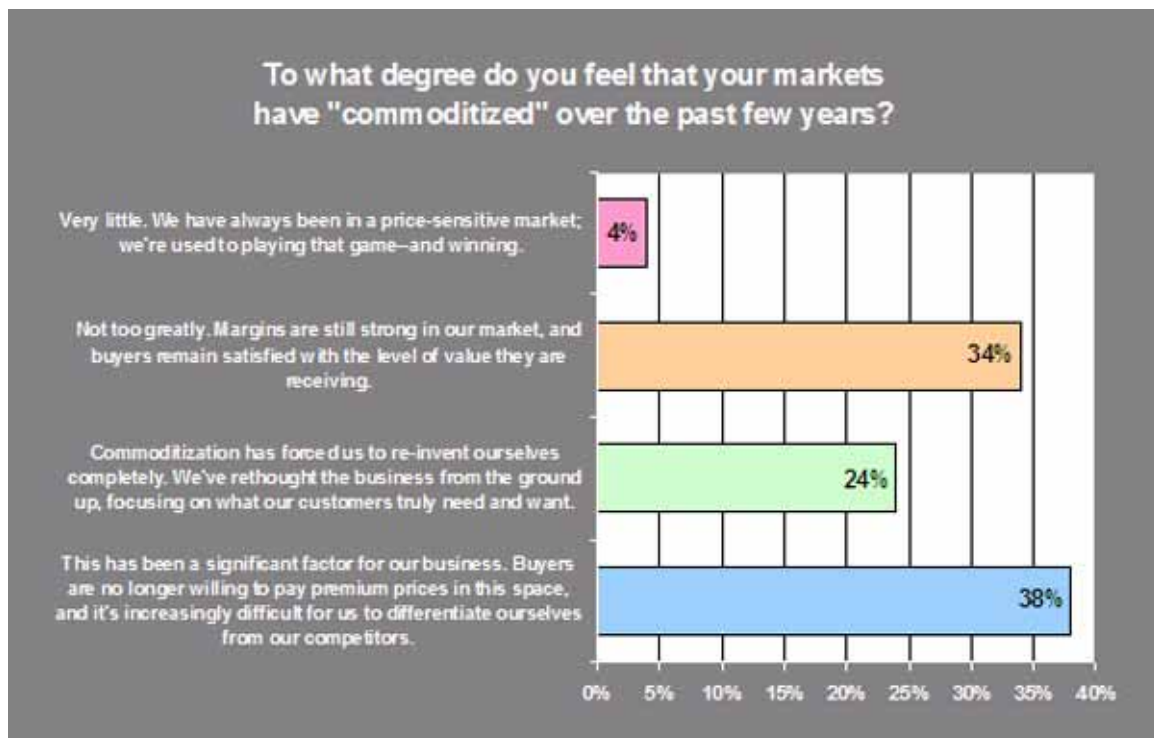
Martin Roll is CEO of VentureRepublic, the leading strategic advisory firm on Branding Excellence to corporate Boards and top management in multiple industries across Asia Pacific and Europe . He can be reached at <http://www.venturerepublic.com> or roll@venturerepublic.com.

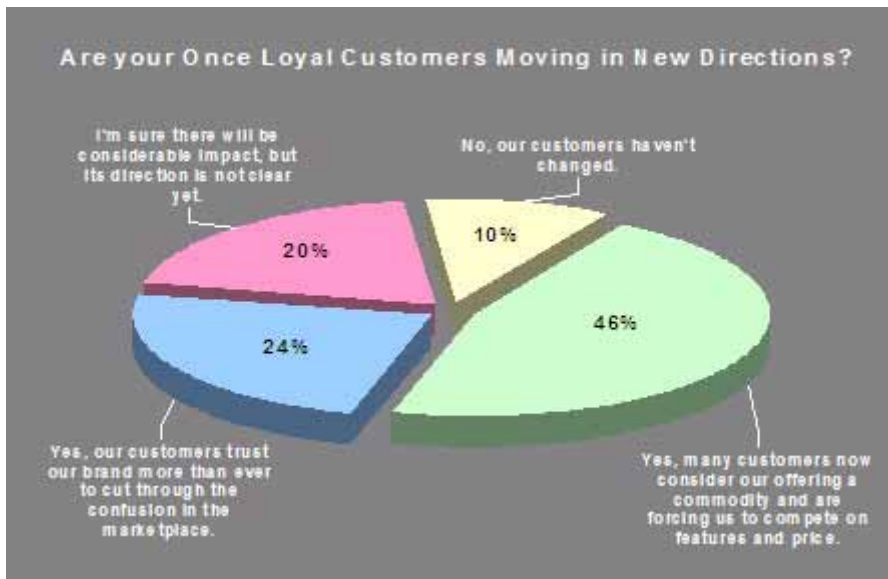
Dealing With Commoditization: Finding New Ways to Add Value to Customers' Changing Lives

Today's marketing strategists are faced with a critical challenge: how to offer customers new value and remain relevant in the face of customers' changing work-styles and play-styles. The reason? Rampant commoditization is affecting virtually every market.

To develop a more profound understanding of this critical issue, Patrick Marketing Group (PMG) performed a survey of 50 marketing executives. Conducted in April and May of 2004, the research effort provides insight into the dynamics by which markets are shifting in the direction of eroding brand loyalty and diminishing willingness of customers to perceive the value of previously differentiated products and services. Participating in the survey were key marketing executives from a range of large corporate entities, including Lockheed Martin, Unisys, General Electric/NBC, and Mars, as well as representatives of much smaller enterprises. Also weighing in were top industry consultants from organizations such as The Gartner Group and IDG.

We should begin by stating the obvious: commoditization is not new. Perhaps the only underlying change facing strategists in 2004 is the incredible rate at which customers are making their way toward lower-priced substitute products and services and forsaking their allegiance to old brands.





In his book *The Chief Executive*, John Brandt writes: "Dare to be different: commoditization looms around every corner. Differentiate now-or wind up just another label." And as the reader will see, this concern is echoed loudly by PMG's 50 survey participants.

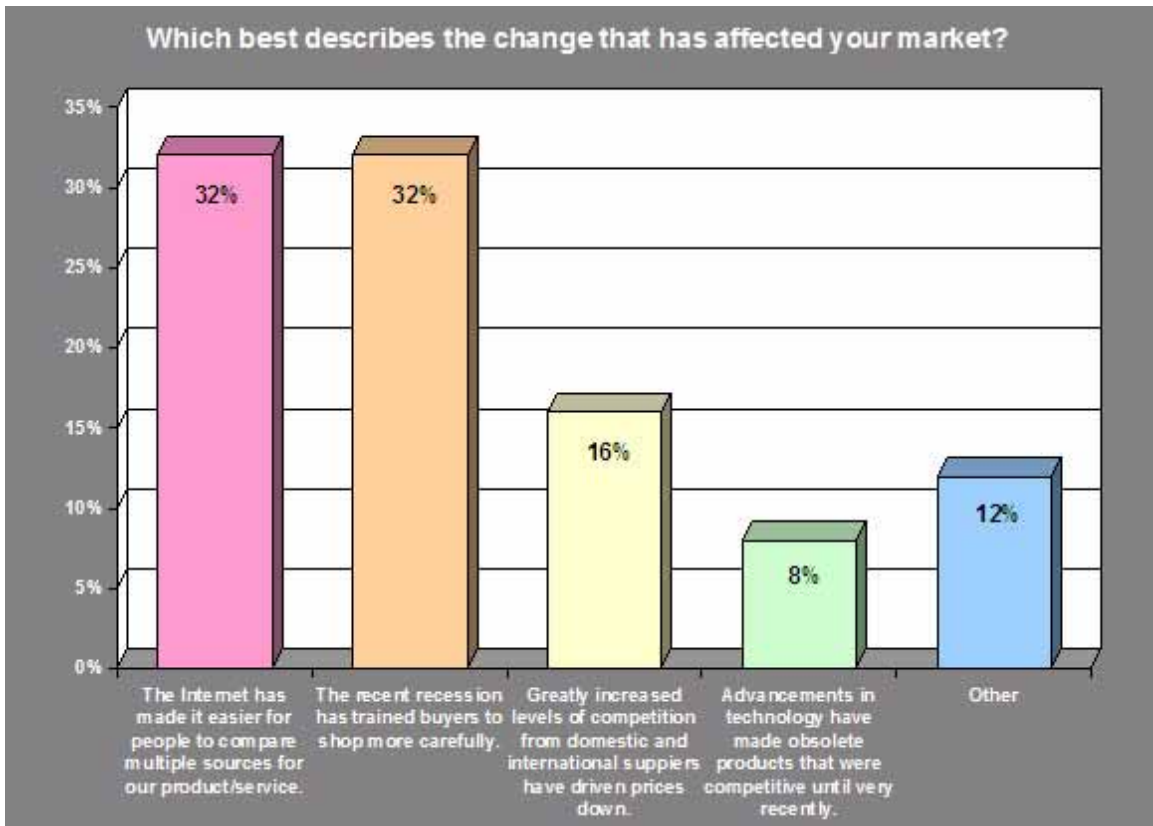
"Everything is headed toward commoditization, if you don't fight it," says Fred Reichheld, founder of Bain & Co.'s Loyalty Practice and author of *Loyalty Rules!* Defending your company against it, he says, takes a "creative redefinition of markets."

The only real question is how to do it. "We all see the need to differentiate; that's hardly controversial," says Craig Shields, partner at PMG and author of the survey. Shields continues: "Does anyone really want to face dwindling margins? Compete on price only? I don't think so. My clients-and I can't imagine that I'm at all unique-uniformly want us to help them find a way to deliver greater value, to be more relevant than ever in their customers' lives. The true challenge is developing real, penetrating insight into the issues that customer segments face, and fashioning a business that is a true reflection of that insight."

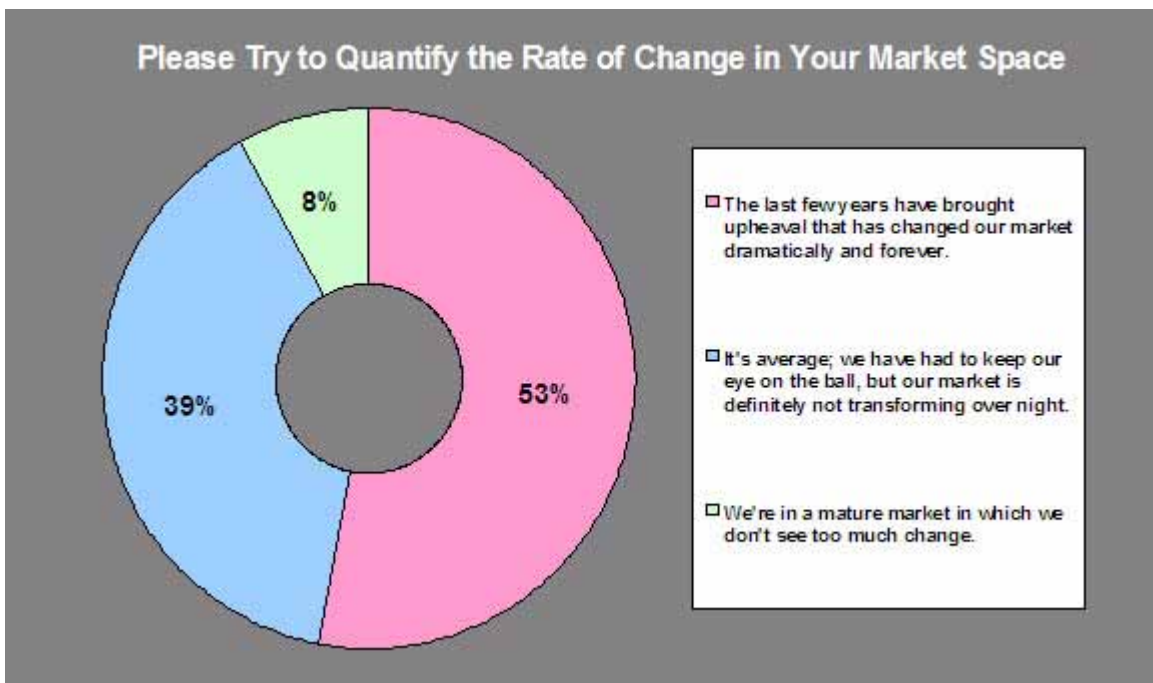
A contributing cause: access to information.

As shown in the charts above, almost two-thirds of those interviewed perceive the effects of commoditization in the markets they serve. A full 90% of those surveyed see their once loyal customers moving in new directions, based largely on these customers' access to an increased body of information about the world's products and services.

As this has effectively increased supply, it has exerted downward pressure on price. Coupled with a slow economy, consumers in virtually every industry have become brutal negotiators with potential suppliers, forcing "sharper pencils" than ever before. "There are many more choices for our customers than ever before. This creates a premium on having a unique selling proposition and marketing and sales strategies to stand out from the crowd," says the vice president of a business services firm.



Even now with the economic picture generally brightening, no one seems to expect a complete return to the "good old days" in which companies made lavish investments with a minimum of due diligence. As shown below, more than half of those surveyed report that their markets have shifted "dramatically and forever."



Of course, the omnipresence of information has been a boon to certain suppliers who have used their web presence to gain access to markets that would have otherwise been impossible to reach. "The net effect here has been increased awareness for our services," says the president of an incentive marketing firm.

This article is the first in a series of three that will be continued in the July and August issues.

Craig Shields is Chief Strategist for the Patrick Marketing Group, a Call Solutions company based in Southern California that provides a full range of marketing services to technology and other B2B clients. He can be reached at craig@patrickmarketing.com or 818-871-1888. More information is available at www.patrickmarketing.com.

Marketing in an Information Blizzard: How Less Can Be More in Today's Market ?

Talk with any marketer who has been around for more than ten years and he/she will tell you that the old bag of tricks just isn't working the way it once did. Yield rates are down for "tried and true" marketing programs and it's much harder to get coverage for your company. The logical response is: if yield rates are down, we need to do more, right? Wrong.

Talk with any customer about the amount of marketing they are exposed to on a daily basis and ask them how effective it is. Then ask them if they think more marketing would be better.

The law of diminishing returns has kicked in for marketing and doing more marketing won't change that. In fact, it will make it worse.

It's time for the marketing community to recognize and acknowledge that this has happened and start to make adjustments to rectify the situation.

What's happened?

Too much of a good thing has happened . We're all guilty. During the heady days of the late 1990s and early 2000 - when marketing budgets were easy to come by - we all went over the top. Daily press releases, seminars, webinars, white papers, email blasts, direct mail, circus-like trade shows, etc. I've even seen advertisements on the back of chairlifts at ski areas. We outdid ourselves and have succeeded in saturating the market. Want proof? How many credit card mailings do you get a week? How many do you open up and read versus throw away immediately?

Blurred messages

Noticing a snowflake and following it as it falls is easy when it's a light flurry. In a snowstorm, they all blend together in a mass of white. The same thing is true with our marketing messages. We are blinding our customers with the sheer volume of marketing messages. Worse, companies in the same market space tend to all say the same things using the same words, even when they don't apply particularly well. While we all preach focus we're not good enough at walking away from opportunities on the fringe of our true target market and sticking to more well defined messages.

Customers have less time to pay attention.

We're all trying to do more with less and our customers are no different - they have less time to read their mail or log into a webinar, much less to travel to a show. If it's not a pressing issue they are probably not going to listen to or respond to our message.

What can and should we do about it?

While it may be an overused cliché, we marketers need to work smarter, not harder. Not only would we all benefit, we all will save money along the way. How do we work smarter? Here are four simple rules to keep in mind on your way to cutting through the blizzard. Even if other companies continue with a marketing blitz strategy, following these rules can and will differentiate you:

- Know who cares
- Communicate only the really important stuff
- Strip your messaging down to the bone
- Do less marketing

Know who cares.

This is the most important step of all. The right message to the wrong person doesn't work. You're better off sending targeted messages to 250 of the right people than to 1,000 of the wrong people. And if you do that, you can spend a lot more per person and still save money. Look at your most effective programs to better understand who you are reaching and then get creative in ways to reach them.

Communicate only the really important stuff.

When it comes to announcements, stick strictly to newsworthy events and issues. Do your target customers, editors or analysts really care when you open a new office? Probably not. The most effective market outreach happens when you tell analysts and press editors your goals and then make announcements every month or so that show achievement of major milestones or progress towards those goals. You build credibility with them and they cover your company. Anything else you announce numbs them to news from your company and potentially detracts from the momentum you are trying to build.

Strip your messaging down to the bone.

We all know we need to take more time to figure out how we are really different from other companies in our space. One of the easiest ways to do this is to identify areas where your product really isn't a good solution and consciously cut them out of your marketing messages. Ironically, the more you cut out, the clearer your messages become, and your target customers will understand them better.

Do less marketing.

Yes, do less marketing and with the time and money saved, improve the marketing you are doing. Start with a quick analysis of what programs have worked best for you and try to figure out why. Are you reaching a certain audience or reaching them at a time when they are more likely to be thinking about the problem your product addresses? Then, replicate only those programs that succeed. Second, market only when you have something to do with the leads. If I had a penny for every marketing program that resulted in leads that died on a marketer's desk, I'd retire today.

By following these simple steps you can reduce the amount of marketing you are doing and significantly improve your results. You will also be able to reduce your marketing expenses as much as 50 percent. For many companies it can be a lot more. As a community, we will reduce the current marketing blizzard down to a more reasonable snowfall and our customers might just start paying more attention.

Randy Corke has been helping small companies effectively put their name on the map with shoestring marketing budgets for the past decade, most recently as VP Marketing for Signiant, Inc. (<http://www.signiant.com>). He can be reached at randy.corke@verizon.net.

Gear Up Your Marketing in a Slow Economy So You'll Succeed When It Turns

You're concerned. Revenues are down or flat. Things had been going so well, but given the state of the economy, you're feeling the pressure. "The market is just not buying now, so let's cut discretionary expenses until the market bounces back," you think. Right decision? Probably not.

The marketplace has slowed, not died, and customers and prospects still need to buy products and services. And the way to succeed in such an environment is by becoming finely attuned to the market's requirements. Although costs are tied to gaining the market insights that can help optimize your effectiveness, the costs of inaction could prove much higher.

So, what's the prudent strategy? Here are some considerations:

Avoid giving up ground.

Across-the-board cuts in marketing efforts to adjust to a slower economy can open doors for aggressive competitors. When they penetrate your market share you will find yourself in the position of having to win back your own customers when the economy rebounds and you're ready to ramp up again. A slow economy is the ideal time to aggressively capture new, desirable customers. The only question is the role you will play relative to your competitors - hunter or prey?

Zero In.

To paraphrase a well-known axiom, a roaring economy can cover a multitude of sins. And during that time, customers, both business and consumer, proved willing to overlook many of those sins. Having been affected by the current situation as well, they are significantly less inclined to overlook your shortcomings today. They are much more likely to ensure that they get exactly what they need for the dollars they do spend. Such elements as pricing, service, targeting, and product configuration, if not totally attuned with your market, may direct sales to other suppliers. Therefore issues of competitive differentiation, customer requirements and appropriate standards should be paramount.

Understand customer-perceived value.

Value does not necessarily mean lowest prices. For this purpose the term "value" means the elements of what you offer that cause prospects and customers to take the behaviors you want them to. To walk this tightrope, you have to know what your customers value and focus in on those for whom you can provide the necessary value most effectively. "Essential" elements of value for one segment will be different than those for others. Thus . . .

Focus resources on the niches you can serve well.

When revenues start dropping, there is a tendency to try to be all things to all prospects - to significantly broaden your market focus. But this is actually a time to focus on market efficiency and effectiveness. Could your company provide effectively to the entire market place in a booming environment? It's even more difficult in a downturn or a slow economy. Target those niches for which you *know* you can properly align your products and services to their needs.

Prepare for the recovery.

When the market begins to gain momentum, be the first in your competitive set to greet it. Only through gaining market insights now can you be prepared to quickly take a leadership role when your customers and prospects are ready to take more aggressive stands in a revived marketplace.

Conduct innovation efforts with substantial market insights.

Don't assume that customers' values today are the same as yesterday's values. Product-innovation efforts are expensive at any point, but in times like these, the price of failure has a far greater impact. If you're moving forward with product development in this environment, reducing your risk through accurate, credible market information is essential.

If you gear up your marketing in a slow economy, you'll be well positioned for success when the next boom comes. But be smart about it. Before you move, get all the information you need to make informed decisions.

Anne Bailey Berman is Co-founder and President of Chadwick Martin Bailey, Inc., a Boston-based market strategy firm dedicated to creating competitive advantage through advanced, custom market research deliverables. She can be reached by calling 617-350-8922 or visiting <http://www.ChadwickMartinBailey.com>

8 Quick Steps to Better Analyst Relations

Technology marketers are working hard to build proactive, strategic programs to give those key industry analysts that cover their markets a strong, positive view of their brand and products and services. Well informed analysts in turn recommend and shortlist those brands, products, and services when communicating to their thousands of CIO-level customers that purchase and use enterprise class software, hardware, networks, and other technology.

As the technology markets swings into full recovery these eight steps will help you focus, tune, and improve your analyst outreach efforts:

Target the right analyst.

In an ever-changing analyst landscape you need to know exactly which analysts have the most effect on your sales. Develop a clear understanding of their coverage areas and their firm's end user client profile.

Negotiate the best deals with analyst firms.

Do not let an upcoming renewal drive your research spend. Take a proactive and strategic look at how and where you spend your money and negotiate the best deal you can.

Refine your contact strategy.

Based on product release cycles and client wins increase the frequency and intensity of your analyst communications - and improve their opinion of you!

Strengthen your interactor team.

A well-chosen mix of senior executives and product specialists can make or break your analyst interactions. Training them to understand how to effectively work with analysts will improve the internal support for your AR program and your overall results.

Review and improve your analyst presentations.

Analysts are busier than ever and looking for stronger ROI evidence every day. Your presentations must demonstrate clear client traction, a genuine business value, and measurable benefits/savings.

Train your interactors.

All interactors need to understand why they should build strong, two-way interactions with industry analysts. Trained and skilled interactors will do more to improve your messaging than anything else.

Connect with the sales organization.

Your sales force needs to understand how and when analysts can impact their deals, how to spot an analyst's influence in a prospect account, and how to work with you to leverage that influence.

Measure your program's success.

Measure what analysts write, think, and say. Optimizing your AR spending requires setting specific objectives and measuring outcomes. Consider using an outside AR specialist to monitor coverage, conduct blind competitive surveys, and provide professional guidance.

Stephen England is Executive Vice President and Partner with The Knowledge Capital Group (KCG), the leading Analyst Relations Strategy consultancy. KCG helps technology vendors leverage industry analysts' influence with end user customers and prospects to increase sales. He can be reached at <http://www.knowledgecap.com> or England@knowledgecap.com.

The Download

Tech Snaps Back

Technology companies are moving back into growth mode. A survey by Deloitte's Technology Fast 500 found 85 percent of growing tech firms plan to hire new employees this year.

Their plans:

- Hire, but in small numbers. While the majority will take on new employees, the ranks will not swell. Just fewer than 25 percent plan to add between 25 and 49 employees this year, up from 20 percent last year. The majority of firms - 61 percent - say they will add less than 25 people. That's up from 49 percent last year. Fourteen percent of firms say they will keep employment levels steady this year.
- No firms in the survey have plans to hire 50 or more employees this year. The good news: only one percent of firms say they will downsize this year. That's down from three percent last year.
- Confidence is up. Seventy percent of CEOs say they are "confident" or "extremely confident" about their companies' ability to sustain high levels of growth. That's up from 59 percent last year.
- Acquisitions are on the drawing boards. Twenty-three percent of respondents plan to acquire other companies as a growth strategy, up from 18 percent last year and double the rate of two years ago.

Searchers Are Brand Loyal

If you are considering search marketing be sure to do your brand research up-front.

A new study by iProspect shows that those who use search engines and are most likely to see your marketing message are strongly brand loyal. The study shows that almost 90 percent of web users have a search engine of choice.

Survey highlights:

- Google has the highest loyalty rate, with nearly 66 percent. Yahoo!'s loyalty rating is second with just over 55 percent. MSN commands a bit less than 53 percent and AOL trails with just under 49 percent
- Once loyal, users are loath to switch. Almost 92 percent said they would start a search over with the same engine if after three pages the first search did not yield satisfying results. Users would rather alter their search terms than swap search engines.
- About half of search users have at least one search engine installed on their tool bars.
- Only 12.8 percent of search users will use different search engines for different types of searches, such as consumer vs. business search efforts.