



October 2005 Issue

This month's selections include helpful Webinar strategies from Rob Solomon at Bulldog Solutions; a couple of pieces from our own-CMO Council executive director Donovan Neale-May explains the effectiveness of Authority Leadership Marketing and Chris Kenton, the Council's senior VP, reveals what is really driving metrics in marketing; Blue Chip Marketing's Jim Hoverman explains the importance of reaching your customer's top management; in The Download, a fascinating look into product design-specifically the "clean" look of the iPod, from frog design; and much more.

Editor's Cut

To some people, October is about getting the kids outfitted for a night of trick or treating...

Put Power into Your 2006 Marketing Mix with Lead-Generation Webinars

If you're like most marketers today, accountability for results of your lead-generation programs...

Get to Know Shawn Dennis, VP of Global Branding at Dell

This isn't a past that one could necessarily plot-to go from entertainment to credit cards to football to technology...

What's Really Behind the Drive Toward Metrics

Every marketer in the world today has a fire under their seat...

SUMMITING: The Importance of Reaching Your Customers' Top Management

Today CMOs are moving on a track to build strategic credibility within their organizations...

Using Intellectual Capital to Build Market Capital

Authority Leadership Marketing is all about accenting market issues, challenges, needs, requirements and imperatives...

Stop Herding Your Customers, Start Networking Them

Event marketing has long been seen as an effective way of reaching new and existing customers...

The Download

A designer sprang into the frog New York studio the other morning with a little more energy than usual...

Editor's Cut



To some people, October is about getting the kids outfitted for a night of trick or treating, and finishing up that 110-piece Costco candy bag a week before Halloween.

To the CMO Council, however, October is all about the Summit. Definitely more treat than trick, CMO Summit 2005, our flagship event, is set for next week, Oct. 27-28 in Monterey, Calif. So there's not much time left for you to register. Please do so at: <http://www.cmosummit.org/register.asp?user=new>. Accommodations are still available but going fast.

Among a bevy of brand-name presenters (check out my Q&A with keynoter Shawn Dennis, VP of global marketing at Dell) who will speak to the Summit theme of *Delivering On-Demand™*, we've just added Oracle's Todd Forsythe, Nortel's Clent Richardson and Dean Harris of Vonage to the program. Forsythe, just named one of *BtoB Magazine's* Marketers of the Year, will detail Oracle's transformation of its marketing/sales pipeline from a clunker into a humming lead generation machine.

All of that action, combined with our first-ever Solutions Showcase, featuring a wealth of technology solutions and services for improving marketing effectiveness, promises to make the fourth annual Summit a "must-attend" event.

Besides putting the last-minute touches on the Summit, we've been spending quite a bit of time on "Define & Align the CMO," a study being fielded with Northwestern University's Kellogg School of Management. You've all heard the overused data point that the job-span of the CMO is much less than the CEO—"Define & Align" promises to dig much deeper than that, taking a 360-degree view of the role, responsibilities and authority of the top marketing officer in technology and telecom companies.

One component of the study is exploring the CMO's status in the executive hierarchy. So we're asking questions like "How many marketers serve on corporate boards?" According to *Corporate Board Member* magazine, out of 5,912 publicly traded companies in their database, there are 192 people with marketing titles, or about 3 percent. We're now in the process of comparing the performance of those companies with the performance of those firms who lack marketers on their boards. We're also fielding a survey of those who are critical in defining and filling the CMO position: executive recruiters.

Nearly 30 qualitative interviews with CMOs have been conducted so far, with a quantitative survey to follow shortly. We believe "Define & Align the CMO" will be a watershed moment for the Council as well as for the marketing community in general. Look for the final report toward the end of this year.

I hope to see many of you in Monterey next week, and Happy Halloween!

Scott Van Camp, Editorial Director of the CMO Council and Editor of Marketing Magnified, can be reached at scottvc@globalfluency.com.

Put Power into Your 2006 Marketing Mix with Lead-Generation Webinars

Five key strategies for getting quick, measurable results.

By Rob Solomon

If you're like most marketers today, accountability for results of your lead-generation programs is a critical concern. Enter lead-generation Webinars. When executed correctly, a lead-generation Webinar campaign can be an extremely effective and efficient tool that leads to measurable increased sales and revenue for your company.

Here we'll outline the five key strategies for creating lead-generation Webinars that deliver remarkable ROI . For more details, including case studies that illustrate these strategies and their results, [view](#) a complimentary on-demand Webinar on this topic.

Strategy 1: Leverage Marketing—Integrate your Webinar program into existing marketing programs

E-mail marketing is by far the best form of promotion to drive Webinar registration, offering immediate, measurable results. The most effective audience creation plan integrates e-mail promotion with as many other forms of online promotion as possible.

If you're already advertising online, it's a great place to promote your Webinar. Include a link to registration on your Web site, in your e-mails, and anywhere else you may reach potential leads. Do you have a newsletter? Are you active in trade associations? Take advantage of these connections.

Look at your advertising calendar. You might already be teamed up with a trade or business publication that can make lists available. Do you have a customer database? All of these are great vehicles to promote your Webinar.

Strategy 2: Establish Thought Leadership—Why an infomercial is not the answer

To get people in the seats and keep them there, it's critical to present informative, relevant Webinar content. Unless your audience is well into the buying process, they won't want to sit through an infomercial about your company and its products.

Think of your Webinar as a teaching opportunity. If you focus on how you can help your prospects solve a business problem, conversion into sales will be easier and more natural. After all, you've positioned yourself as the expert, helped them address a problem, and established the foundation of a relationship.

To that end, look beyond your own staff for Webinar presenters. Can you engage a customer to tell a great story? A third party such as an analyst or researcher can set the stage and explain the landscape, adding credibility to your program.

Strategy 3: Engage the Prospect—Ease the transition from event to sales engagement

Beginning with the invitation and leading up to the actual live event, you have several opportunities to make an impression on participants. Don't squander them!

For example, we've observed that more than 70 percent of those who receive an e-mail confirming their Webinar registration will open it. Why not use this touchpoint to boost attendance by providing a tool to export the event to their Outlook calendar?

You also want to be sure that each time you communicate with registrants, you're giving them a chance to engage *you*. For example, send a personal letter to each registrant from a member of the sales or marketing team *before the event* in order to learn more about that registrant and about what he or she might hope to gain from the event. Solicit their input on the event and give them a clear avenue for reply—you may find up to 20% of registrants will actually respond.

Strategy 4: Automate—Personalize and promote your campaign with the right technology

You can accomplish a lot by mining information from your program and communicating in appropriate and creative ways. But it's virtually impossible to accomplish this without automation. You need powerful systems in place to automate the process and allow you to capitalize on your success.

In many cases, registration for an event may grow in the hundreds per day. Unless you have a lot of inactive sales staff, it's going to be pretty tough to correspond in a customized manner without automation. The letter mentioned in Strategy 3, as well as reminder and follow-up communications that round out a thorough campaign, all require it.

Strategy 5: Analyze the Data: Execute a program with quantifiable results

After the event, how do you ultimately measure its success?

A successful lead-generation campaign extends beyond the live event itself. Collecting and analyzing data is where you make your event pay off. For example, track where leads came from and how long they stayed. These campaign analytics can offer the feedback you need to make each new campaign better and smarter.

Of course, you also want to engage in prospect analytics. Assign positive and negative values to data collected during registration, based on business rules established before the campaign began, and use those to generate a numerical ranking of each prospect. Is your ideal prospect employed at a company of a certain size or in a certain industry? Assign point scores based on the information provided by each registrant.

After the event, you can revise that score to reflect attendance, survey answers and other event-related behavioral data. The results will allow you to quickly disqualify low-probability leads, and pursue those with the highest scores.

Bottom Line: Increase sales and revenue

Done right, lead-generation Webinar campaigns can deliver remarkable ROI. They can help you leverage your existing marketing budget, build prospect relationships and prioritize your sales resources to ensure you tackle your best leads first.

For more information about best practices for lead-generation Webinar programs, [view](#) a complimentary on-demand Webinar on this topic.

[Rob Solomon](#) is the chief executive officer and founder of Bulldog Solutions, the recognized thought leader and pioneer in sales lead generation using Web seminar campaigns and Web-based programs. Bulldog's clients include B2B organizations in many different industries, including technology, finance, science, health care, telecom, insurance and publishing.
www.bulldogsolutions.com

Get to Know Shawn Dennis, VP of Global Branding at Dell



As vice president, global branding at Dell, Shawn Dennis is responsible for programs that build preference for the Dell Brand on a global basis, across all customer and business segments. Prior to joining Dell in January of this year, Dennis was VP and group head of marketing at another strong brand, the National Football League, driving marketing, advertising, CRM and sponsorship promotions. Dennis also spent several years with MasterCard International in a variety of marketing positions, and before that spent seven years at Universal Studios, and another 12 years working in consulting, toys and consumer packaged goods. You could say she's had a varied marketing career. Dennis will keynote at CMO Summit 2005.

MM: You really have experience in a variety of industries. How did this happen?

Shawn Dennis: This isn't a path that one could necessarily plot—to go from entertainment to credit cards to football to technology. Although they are very different fields, the similarities can be striking.

In what way?

Between MasterCard and the NFL, for instance. Both are more like associations, with lots of bosses. At the end of the day, MasterCard is about driving the wealth of its top member banks. The NFL is there to drive the wealth of its 32 team owners.

What was it like working the most recognizable team sports brand in the world?

It's interesting that the NFL itself is responsible for 10 percent or less of the messaging. You have 32 teams building brands, then you have the major sponsors like Pepsi, Snickers and Gatorade doing branding on their own, and of course there are the networks. So there is a lot of shouting going on.

What were some of the things you learned at the NFL?

The NFL is such a great brand, with 85 years of history and heritage. I learned a lot about the roles of master brands and sub-brands. And the fans really are marketers themselves.

So what compelled you to get into technology marketing?

I was certainly intrigued because of the whole Dell story, the sea change Michael Dell brought with his business model, and I was also interested in going back to marketing products. Now that I'm here, the environment is very refreshing, with a lot of brilliant thinking and very low egos.

What goals did you set in your role as head of global branding?

We want to drive the Dell brand on a global scale to be prepared for the next volume of growth. How do we continue to grow our B2B and B2C brands, and then on a more tactical level, how do we scale our global marcom efforts? Those are the questions we're in the process of answering.

What are your three biggest challenges?

Since we're diversifying with such products as TVs and music players, we need to make sure we are getting that message out; then there is the challenge of staying true to Dell's direct model DNA; and third, continuing to build awareness and credibility for our enterprise group, which is now 80 percent of our business. A lot of people don't realize that, because we make so much noise on the consumer side.

What's Really Behind the Drive Toward Metrics

By Christopher Kenton

Every marketer in the world today has a fire under their seat over metrics. From Customer Lifetime Value to lead generation scorecards, everyone is scrambling to zero in on the metrics that matter and the tools that expose them. But when is the last time you stopped to really think about what's driving this trend? Sure, the need for accountability and visibility is important, but why?

If you haven't thought deeply about the underlying trend in the drive toward metrics, it's time you did. It may well be the most important revolution shaping marketing today—even more important than the dramatic changes going on with technology, data, global competition and customer intimacy.

To understand what is driving metrics in marketing, it helps to look at a related sector that is quickly merging with marketing, but has a deeper industry record: business intelligence. If you follow the logic of the major analysts covering the *business intelligence* (BI) market, the market drivers for business intelligence software are based on fairly simple environmental factors. The most commonly cited market drivers are the following:

- 1. Increasing Regulation** —New laws in both the U.S. and Europe are requiring companies to make their external reporting more transparent, forcing business to develop better systems for storing and retrieving the most current and detailed information on operations.
- 2. Information Overload** —Having invested heavily in CRM, ERP and SCM systems, many businesses are awash in data, but short on actionable intelligence. Being able to aggregate, mine and analyze data in order to prepare for and respond to business and market events is the next step in making IT investments pay off.
- 3. Demand for Accountability and Metrics** —A slow economic recovery has forced many businesses to continue trimming budgets, while requiring greater accountability for every area of spending. Business intelligence, and its associated data-mining, analytics and scorecards, provides the tools necessary to track performance metrics tied directly to strategic corporate goals.
- 4. Need to Improve Competitive Responsiveness** —With markets exposed to increasing competition, customer demand and pricing pressure, businesses need to reduce cycles by accelerating processes that support aggressive competitive strategies. BI initiatives provide real-time information that can help businesses eliminate process delays and streamline management to improve decision-making and market response.

And Now, the Rest of the Story

There's nothing wrong with these descriptions of existing market conditions. Each of them is a correct and compelling reason for businesses to support BI initiatives. However, they don't tell the whole story. In fact, none of these market drivers, taken individually or taken as a whole, are enough to explain the level of investment being made in business intelligence software.

Think about it. Businesses have found ways to skirt or delay the impact of increasing regulations for decades. Why would they suddenly respond so rapidly to new regulations today? While information overload is acute, many businesses took a soaking in IS investments over the past few years. What smart CEO would throw good money after bad to try and rescue a previous

investment? Metrics and accountability are certainly in high demand while budgets are tight, but how many businesses would invest millions of dollars just to be confident their million-dollar investments are sound? That kind of long-term thinking doesn't move markets in our quarterly-driven world. And finally, yes, businesses are being compelled to be more efficient and effective in order to compete, but that battle has been shaping up for decades among TQM, Six-Sigma, lean production methodologies—does anyone really believe the end of the rainbow is only a dashboard away?

While each of these market drivers is accurate, they're only symptoms of a much deeper drive—a drive that is shaped by a concern far greater than the threat of regulation, information overload, accountability or competitive response. It's a drive that reflects the deepest fears of a CFO. It's a drive that shapes the search for CMOs that can move the businesses that move markets. It's a drive that cuts straight to the bottom line of the corporation, because it's about the single, all-important factor that defines the success of every business today.

It's all about how the value of a business is measured.

Measuring the Value of a Business

To understand how the value of a business is measured, you need to know what investors look at when they assess a company's worth. Investors consider three things above all else: profitability, growth and risk. A business needs positive cash flow, clear potential for increasing it and some hedge against the uncertainty of achieving growth in the face of volatility.

Investors, typical of most people involved in finance, like their money easily counted. They like the kind of value that shows up on a balance sheet—concrete worth that lends itself to crisp calculations showing money in the bank. It's a mentality that relies on relentless consistency, structure, and predictability. The fundamental concepts of valuation, concepts like *net present value*, are conceived as formulas that everyone, everywhere, in every situation should write the same way.

So when people started talking about “changing fundamentals” during the dot-com boom, a lot of financial people just snickered. Sure, a lot of companies were being sold at values ridiculously inflated over the value shown on the balance sheet, but all that meant was an impending correction—and boy did that correction come. The boom turned into a bust, and many of the highest-flying companies went broke. Markets change, fundamentals don't.

But a few quarters into the recovery, some financial analysts found an interesting trend in the post-bubble numbers. Those market-to-book ratios that had been so inflated during the bubble—the difference between what a business is worth on its balance sheet and what the market would be willing to pay for it—did indeed correct, but not as much as many expected. Since 1982, the businesses making up the S&P 500 had been growing in market value over and above what they appeared to be worth. After the bust, the trend didn't reverse, it merely corrected to the curve that had been steadily increasing for two decades. According to Jonathan Knowles of Brand Finance, a consultancy that specializes in the valuation of businesses, the tangible assets that used to account for 75 percent of a company's stock market value in the 1980s now only accounts for 22 percent of market value.

What on earth does this have to do with marketing, you ask? Let's cut to the chase.

Turning Intangibles into Value

We've just seen that the way markets value a business is growing increasingly disconnected from the hard assets of the balance sheet. No one is certain why business valuations keep climbing

above assets, but there is a good hypothesis. The theory is that businesses are realizing an increasing level of value from intangibles—things that help a company create value, but that don't show up on the balance sheet. Identifying those intangibles so they can be modeled, measured and optimized is a powerful market driver that is sending managers scrambling into every corner of business operations.

There are lots of intangibles that have the potential to create value, including intellectual property, business processes, specialized training, skilled employees, customer intimacy, corporate culture, brand equity, and too many others to mention. The question for businesses and investors is how to get your arms around intangibles. How do you identify the intangibles that contribute to the creation of value? How do you measure those intangibles to understand the nature of the value they create? How do you improve the value of those intangibles to measurably grow the bottom line?

If, as the trend line of market-to-book ratios shows, the value of intangibles is on a growth curve, these are important questions indeed. The need to identify, quantify and optimize the underlying mechanisms that are driving an increasing portion of a business's value is far more compelling than concern over things like information overload or increasing regulation.

Sure, marketing metrics are evolving to help you get more intelligence out of your data, faster, to support better decision-making with real-time responsiveness while keeping your business in compliance with new regulations. But don't miss seeing the forest for the trees. Beyond the drumbeat of short-term pressures, there are more sustainable advantages to be gained from a solid understand of marketing metrics. Perhaps the most important advantage is the most intangible: the knowledge of what adds value to your company's bottom line.

Christopher Kenton is Senior Vice President of the CMO Council. He has been a regular columnist for Business Week Online, the editor of Marketonomy.com, and a frequent author and speaker on emerging marketing trends, including competitive intelligence, analytics, marketing effectiveness and accountability. He can be reached at ckenton@globalfluency.com.

SUMMITING: The Importance of Reaching Your Customers' Top Management

By Jim Hoverman

Today CMOs are moving on a track to build strategic credibility within their organizations that parallel that of their C-level peers. To a large part, that strategic credibility hinges on two axis: Their ability to invest their enterprise dollars wisely in marketing ventures where success is determined by a measurable ROI; and second, their ability to engage and involve their senior management in activities that provide "proof of concept" to the value they bring the organization.

The reality is that a large part of the CMO's functional world is focused on a broad universe of activities that are directed to customers but do not register on the radar screen of their organization's C-suite. And because the connection between marketing activities and revenue growth/profitability is not made, those activities are neither understood nor valued.

The challenge then is to initiate a customer marketing activity that contributes to revenue growth and profitability while at the same time showcases the strategic value the CMO and marketing function delivers.

The customer marketing activity I'm referring to is the creation and launching of a SUMMITING program, directed to the top executives of your most important customers and prospects. They may be referred to as global accounts, national accounts or strategic accounts, but they, and their senior management, represent significant revenue.

We call this activity SUMMITING because of its obvious reference to making a journey to the top. There are five central thoughts on why it's become critical to develop a marketing/SUMMITING program that focuses on key customers' top management:

- Key customer top executives today can and should play the critical role of "Value Champion" in your marketing and business development model.
- The noise level surrounding these key customer executives is deafening, and because of that, they screen out most sales organizations.
- Your senior management recognizes the value that these top customer/prospect executives represent to your organization as well as the difficult factor in SUMMITING.
- There is great value that the marketing function can deliver by setting the table with top customer/prospect executives for your organization's business development efforts.
- You have the opportunity to involve your senior management in a high-profile marketing initiative directed to key customer/prospect top management.

There are several challenges in reaching these top-level executives. The targeted audience must be blue chip, i.e. organizations where major current or potential revenue is substantial, and where C-level or senior executives are the focus. In most cases that audience is 30-40 key customer organizations and 125-150 targeted executives. What's more, any SUMMITING program focused on C-level executives must be designed specifically for the targeted audience—not a re-purposed generic customer marketing initiative.

Your senior management must be engaged in this process, as you are in effect creating a dialogue program between them and their peers at key customers and prospects.

The SUMMITING program must define the relevant context in which you plan to connect to the targeted executive, and while your role is to determine the business value platform, i.e., the conversation agenda your C-level SUMMITING program will feature and deliver that platform to

the targeted C-level executives, your process must include a direct link to your sales organization for follow-up and face-to-face execution.

The reality is that the introduction and adoption of a formal, consistent SUMMITING process can only add value to your organization's marketing and business development model. It also adds real definition and value to the marketing function and to the CMO role.

Jim Hoverman is president and CEO of Blue Chip Marketing Group (www.bluechipmkt.com) a company he founded 22 years ago. Blue Chip Marketing Group's mission is to utilize its trademarked process to support its clients marketing and sales organizations in building dialogues with and access to key customer/prospect C-level executives. Hoverman is also the author of a new book: "SUMMITING: The Art OF Building and Sustaining Relationships With Customer Top Management," available at Amazon.com.

Using Intellectual Capital to Build Market Capital

Why did Ernst & Young design a Car Company of the Future? What made A.T. Kearney conduct a Global Competitiveness Audit of tech and telco companies? Who would have expected Borland and Cognizant to shine a light on the costs of software obsolescence?

These are just a few examples of Authority Leadership Marketing™ at work as a growing number of companies seek to gain brand distinction, influence and trust in a crowded and competitive BtoB to market. All of these marketers are striving to be recognized as thought leaders, knowledge brokers and subject matter experts. They want to engage in strategic conversations and create interactive relationships with key decision makers to gain deeper insights, better access and more influence across the enterprise.

Winning companies today go well beyond the traditional trumpeting of product features and functions, ratings and reviews, speeds and feeds, or deals and deployments. They are now putting their solutions and services into context by more effectively mapping the market landscape to identify and highlight pain points, problems or little recognized vulnerabilities, risks or costs. By embracing Authority Leadership Marketing practices and methodologies, they validate their product offering, strengthen the value proposition and shorten the selling cycle.

Authority Leadership Marketing is being driven by the upsurge in executive participation in the strategic procurement process and the ready availability of meaningful decision-support content and affinity groups congregating on the Internet. Software, for example, is seen by senior corporate executives as critical to market differentiation and competitive advantage (Software Drain or Business Gain Study by BPM Forum) and most are involved in the acquisition process. There are also more and more channels of direct market engagement for reaching, aggregating and segmenting customer audiences and bypassing traditional media and analyst avenues.

“Define What’s Valued Online,” a new survey undertaken by the Chief Marketing Officer (CMO) Council and KnowledgeStorm, a leading syndicator of technology-related content, provides some pertinent supporting facts. Nearly 1,400 senior business and IT professionals participated with 90 percent stating that online content consumption has a moderate to major impact on vendor preferences and selections. Not surprisingly, their top “pet peeves” center around hype and puffery of offerings, poor communication of business value proposition, and too few proof points to evidence ROI.

Almost half of executive respondents said they either made the final purchasing decision or had a high influence on spend. A further 34.5 percent said they had a moderate influence on spend. The top three areas of online research in the technology sector included enterprise software applications, computer systems and servers, and computer devices and peripherals.

Central to effective Authority Leadership Marketing is the definition of a strategic advocacy agenda and point-of-view platform. This comes out of penetrating discovery and invention sessions with partners, customers and the channel. Online perception polling and surveys provide quantitative data for adding credibility and substance to the Authority Leadership position.

For example, Ernst & Young’s automotive consulting practice was able to win a very substantial worldwide engagement with a leading automotive manufacturer by concepting The Car Company of the Future in collaboration with a leading academic institution and all parts of the automotive supply and service chain. This initiative immediately established the E&Y practice leader as a global subject matter expert and credible commentator on the future directions and dynamics of the industry.

Likewise, when A.T. Kearney's technology and communications practice needed a meaningful and compelling authority leadership platform for growing its profile and presence, the firm invested in a major intellectual capital building exercise around global competitiveness. In partnership with the CMO Council and BPM Forum, it conducted a Crunch Time Global Competitiveness Audit, which harvested a rich body of knowledge on North American companies' lack of preparedness and readiness to fend off new category contenders from China, India, Korea and other emerging economies. Not only did the results command global media attention, they also formed the basis of a Global Competitiveness Summit in Silicon Valley, a new revenue-generating consulting service and a fertile, ongoing market engagement track.

Similarly, when Cognizant Technology Solutions and Borland wanted to drive demand for their respective software portfolio analysis practice and application lifecycle management solutions, they collectively invested in a BPM Forum authority leadership program, dubbed Software Drain or Business Gain. This program included an online survey of C-level executives to determine the criticality and economic impact of software provisioning across the enterprise. It found Corporate America replete with obsolete applications costing billions of dollars in unnecessary IT maintenance, in addition to added risk and vulnerability. Some 70 percent of respondents said they had deficient, discarded or redundant software but lacked a formal system for retiring dated business solutions. Another 64 percent admitted they could not benchmark the value of their software investments.

Software Drain or Business Gain has given both Cognizant and Borland a platform for evangelizing their critical role in the Acquire to Retire software life cycle as a strategic business partner focused on optimizing business performance, productivity and spend effectiveness. During the process of building the Authority Leadership position, the underwriters had the opportunity to identify and engage with predisposed prospects, syndicate white papers and reports, and produce web conferences and offline events that generated additional leads and opportunities.

Authority Leadership Marketing starts with a deep dive into the prevailing business conditions, market forces and factors, and strategic concerns and considerations of customer audiences at an executive management or board level. It is aimed at framing and directing market discussions, influencing strategic agendas, and shaping perceptions, attitudes and purchasing patterns. It enables brands to become trusted voices and credible resources for both press and analysts. It also allows companies to create alignments with influential publishing groups and organizations, as well as achieve closer integration with channel and business partners in cooperative programming and demand generation activities.

Donovan Neale-May is executive director of the CMO Council, which represents more than 1,500 senior technology marketers controlling \$50 billion in annual spend worldwide. He is also managing partner of GlobalFluency, the architect of Authority Leadership Marketing™.

Stop Herding Your Customers, Start Networking Them

By Chris Elmitt

Event marketing has long been seen as an effective way of reaching new and existing customers in the IT industry. Most companies now invest either in hosting their own event or sponsoring and speaking at public shows.

The conventional format focuses on high delegate numbers, by promoting the opportunity to hear the latest big-name speakers, and to catch up on technology trends (typically in beautiful settings).

Success is measured in terms of high delegate attendance which is enabled by some core ingredients: a large and loyal customer base, something new to say and some attention-grabbing speakers.

Emerging Technologies

In the last five years Crystal Interactive has supported over 100 events (usually running events on emerging technologies) where none of the above ingredients are available. One example is Radio Frequency Identification (RFID) where, because the technology is so new, few companies have the brand or the speakers to run a conventional event. For these situations, chasing high delegate numbers is not the best tactic.

The role of interactivity and intimacy

Instead, it is worth turning the conference format on its head: by making the delegate the centre of attention (rather than the stage and speakers); and by making the objective of the event to progress the development and acceptance of the technology (rather than simply stimulating sales). Rather than regarding delegates as attendees, they should be seen as collaborators, giving you the opportunity to create a position of market leadership in terms of the relationships you have developed with pioneers within the customer population. The event becomes a learning event, both for you and the delegate.

You'll find an open audience if you adopt this stance. Here are some of the characteristics our research* has shown about the emerging technology conference delegate:

- As “evangelists” they are keen to progress the development of the new technology. They will give you vital information about what challenges they face in implementing a new technology in their organisations.
- They value hearing from other delegates more than from speakers on stage. They favour resolving issues with peers - who may be facing similar issues - more than passively listening to presentations.
- The challenges they face are rarely technology-based. In the 100 events we have supported to date, the typical issues are:
 - “How do I build a business case?”
 - “What are the implementation gremlins I need to watch out for?”
 - “How do I bring suppliers/ partners/ clients on board with the idea?”

In many new technology areas, there are few ready-made answers to these issues but if, as a technology supplier, you can work with your delegates to develop answers, you can claim “thought leadership” as well as being able to refine your offering.

However, there are a few ground-rules that should be respected:

- The average conference delegate is not used to exchanging views candidly with peers. You need to find effective ways of getting delegates to open up, such as allowing them to contribute their ideas anonymously** - do not expect them to open up automatically!
- Delegates need to feel they are working with their peer group. They do not appreciate being the most knowledgeable or senior in the room, so focus on recruiting delegates with a similar profile rather than chasing high numbers.
- They dislike overblown conference titles. Getting delegates to attend an intimate and interactive event on a false prospectus leads to poor feedback.
- Delegates have already read up on the basics of the topic, so avoid high level presentations. Presentations should be from the delegates’ peer group, and should focus on “warts and all” case studies (i.e. including what went wrong, not just high level “benefits” presentations). Disguised sales presentations tend to be poorly received!

“The more the merrier” applies to many situations in which you are bringing potential customers to events to promote your products, but sometimes chasing high delegate numbers may not be appropriate. If you want to promote a new service or technology, you may gain more from organising a small, highly interactive session for pioneers within your customer community. They will appreciate the opportunity to share ideas with each other, and you will gain a unique insight into how to make your technology more relevant and easier for customers to buy.

**Crystal Interactive has supported over 100 events looking at emerging technologies. The research is based on feedback from over 1000 delegates at these events.*

*** Crystal Interactive has developed a conference process designed to maximise delegate participation. The process is based on the use of technology, which allows all delegates to capture and share views anonymously.*

Chris Elmitt is director of Crystal Interactive, a UK-based event facilitator comprised of a network of specialists who offer highly specialized services. Crystal Interactive will be supporting the CMO Council Summit in London in November, 2005. Crystal Interactive is based in Kingston, Surrey (UK) but works all over the world. The team is comprised of a network of specialist facilitators who draw upon proven experience in combining collaborative technology with more standard facilitation processes, and a group of technical managers who ensure that clients find Crystal's highly-specialised services both intuitive and rewarding.

The Download

The iPod and the Bathtub: Managing Perceptions through Design Language

By Luke Williams



A designer sprang into the frog New York studio the other morning with a little more energy than usual...

"I know why everyone says the iPod looks clean!" he exclaimed.

The iPod has become - in the minds of most of our clients - the example of great product design. Ask them why? Almost without exception, they'd answer ... "I like it because it looks clean."

Of course, there are obvious cues such as minimalist design; the simple, intuitive interface; the neutral white color. But these attributes alone inadequately explain this seemingly universal perception of graceful hygiene. It had to be referencing a deeper convention in the social consciousness... so, if a designer claimed that he had the answer - we were all ears.

"So... as I was sitting on the toilet this morning (this is of course where most good ideas come from), I noticed the shiny white porcelain of the bathtub and the reflective chrome of the faucet on the wash basin... and then it hit me! Everybody perceives the iPod as 'clean' because it references bathroom materials!"

A few seconds of silence followed...and was quickly punctured by enthusiastic laughter. Not because he had arrived at this insight by sitting on the toilet. Nor because the iPod references porcelain basins and chrome faucets. We were laughing because we knew the designer responsible for the iPod – Jonathan Ive, VP of Industrial Design, came to Apple from a London-based design consultancy where he worked on a "wide range of products, from power tools to wash basins."

Coincidence? Perhaps. What's important is that consciously or unconsciously, the iPod materials reference a convention of "cleanliness" that everybody interacts with every day - a bathroom. We're talking about human perception, and the system of conventions that shape our perceptions. Perception is essential to the process of design.

Imagine your cell phone as a person. How would you describe him/her? Playful; charismatic; dull; unreliable; clean? The products we surround ourselves with all carry messages, and our perceptions are significantly shaped by their form, materials and color. They are a non-verbal method of self-expression and social dialogue for people and brands. Products are not mere objects of facility; they're objects of communication.

Organizations need to strategically manage the meanings their products convey, by developing a "design language" that helps ensure that customer perceptions of a product are what the creators intend. Why is this important? Because the most common failure of products is not that they fail to communicate, but they communicate the wrong message.

The New Role of Design Language

A design language is a type of genetic code that helps define and ensure a distinct, constant and consistent quality of brand expressions across all customer experience touch points. The concept of design language is not new. Companies such as Apple and Sony have used it effectively for years to create brand awareness, differentiate themselves from competitors and help subcategorize variations of products within product lines. Today, these functions are a given.

Far more important is the "perceptual" function of a design language:

- How is the perceived value for a product raised or lowered?
- How is a technology product made to appear less intimidating?
- How is the perception of sophistication created?

For product designers, the answers to these questions drive the creation of desired customer perceptions. Yet, many designers and marketers struggle to articulate answers and continue to unconsciously create products with misconstrued perceptions. The problem is not a question of talent; it's a question of awareness. There is a need to be cognizant of the "system of conventions" that gives rise to perceptions.

The System of Conventions

We are continuously exposed to conventions everyday, but are commonly blind to them at a conscious level. We have been made to think that certain ways of looking and behaving are "natural." In fact, they are "cultural constructs" which have to be learned.

Consider the example of traffic lights. They do not work because there is a "natural" and unbreakable connection between red and danger or green and security. They work because everybody recognizes and accepts the difference between the two colors and the meaning given to each within the system. The system would work just as well if STOP were indicated by a series of blue dots on a white background, and GO by a series of yellow lines against a black background. This difference would be enough to make the system work. 3

Conventions are also at play when we consider personal appearance. We choose the way we communicate through the way we dress. The "cool" creative designer who thinks he's dressing quite naturally by spending the day in designer jeans and a vintage t-shirt is observing a system of conventions that is just as carefully coded, and just as meaningful, as that of a conservative Wall Street banker with his dark gray suit.

Historically, designers and manufacturers have made interesting use of conventions in design to alter the way people perceive products. The public once thought electricity was dangerous and expensive, so to change this perception, the electricity industry sought to project the image of electricity as a modern and progressive source of energy. To symbolize these qualities, designers used the conventions associated with "technological futurism" - chrome plating and streamlining. In 1955, Industrial Designer Henry Dreyfuss wrote that changes in the design of the modern kitchen had been brought about "by two things that had nothing to do with cooking a meal- the automobile and the airplane."

Although the symbolism has changed, the iPod also uses conventions to appear "ahead of its time." Its surfaces are seamless and have no moving parts - two conventions that have often been used in science and science fiction to connote advanced technology. Remember the seamless, molten-metal bad guy in Terminator 2? Or how about the perfectly seamless, black monolith in 2001: A Space Odyssey?

Decoding Conventions

To assimilate conventions in the design of a product they first need to be decoded and articulated. Deciphering the nature of conventions is an intuitive, qualitative process that involves observations of the marketplace and the culture within which it operates. There can be no final meaning attached to conventions because they are constantly changing according to context.

Decoding requires a readiness to being mindful of the cultural and social constructs that surround you and the people for whom you are designing. This readiness is "sensitization." It's common for people to experience sensitization when preparing to buy a new car. If you declare that you're interested in a yellow mini-cooper, as you drive around town yellow mini-coopers will stand out from the other cars. Your mind has been "sensitized" to this type of car.

Have you ever picked up a product and thought, "...that feels cheap?" The next step is to try and figure out why. Sensitizing the mind to perceived value reveals that most products sit within a tiered structure, based on some combination of price, features, and functionality. The structural layers are often defined as Low Tier, Mid Tier, High Tier, and Ultra High Tier, and there are a set of conventions associated with each.

For example, Puma shoes are tiered according to price, and the application of materials is different through the tiers. As the shoes move up through the tiers, the materials become more authentic (e.g. natural leather). As the shoes move down through the tiers, synthetic materials dominate. Likewise, consider an Ultra High Tier brand like Mont Blanc. Their pens still sit within a tiered structure with the low-end writing instruments being plastic (simulated) and the higher tier writing instruments using metal and jewels (authentic).

Similar conventions occur with the relationship between color and materials. If you wish to raise perceived value, materials become much more important. To lower perceived value, color calls the shots.

Perceived value is only one dimension. Decoding conventions is also necessary for the translation of all intangible values associated with a product. Abstract brand attributes such as "Dynamic" and "Innovative" for example, need to be expressed in tangible product form. Successful transformation of intangibles to tangibles demands comprehension of form, color, and material conventions that evoke customer perceptions of "Dynamism" and "Innovation".

Translating Conventions into Design Language

Once deciphered, insights into the nature of conventions should be captured and articulated, ready for application. The "Tiered Continuum" frameworks (see figure 1) offer an example. Their purpose is not to describe the conventions associated with "perceived value" in absolute terms, but to suggest a starting point for managing perceptions of value with strategic intent.

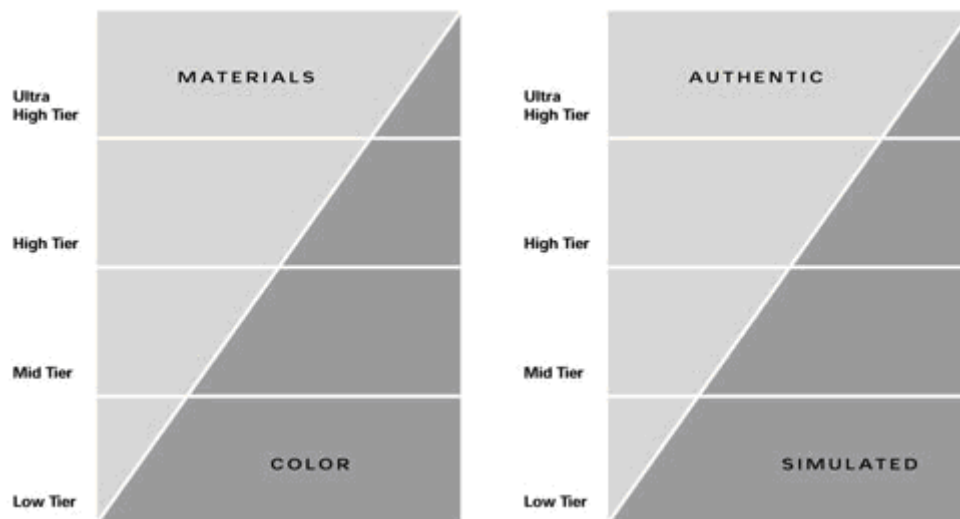


Figure 1: Tiered Continuum Frameworks

So, if the goal is to raise perceived value for a product positioned in Ultra High Tier, a translation of conventions would provide this foundation for the design language:

- Authentic materials (i.e. no plastic simulating metal or any other material)
- An absence of color (white, black or material color only)
- Strong two-tone contrast (UHT products often have a two-tone pattern. This ensures they can be "read" from a distance - a function that color provides for lower tier products.)

Products need not adhere to the associations of just one tier. Often the most advantageous results come from a juxtaposition of tier conventions. For instance, the Ikepod watch by designer Marc Newson incorporates a black and white contrast pattern on its face (UHT); a matte metal housing with gloss metal accents (HT); saturated color accents on the hands (MT); and a rubber strap (LT). As a result, perceptions of higher tier sophistication are offset by touches of lower tier playfulness.

There are no strict rules of application. Once conventions have been decoded, the arbiters of a design language are free to experiment with a shared understanding of the effects that form, color, and materials may have on customer perceptions.

Managing Perceptions through Design Language

The iPod's material associations with bathtubs and wash basins is representative of the connection between a product, and a set of conventions which influence human perception. The new "perceptual" role of design language is to help organizations conceive and govern the messages their products carry, to facilitate the desired customer perceptions.

Conventions are the key, but often avoid detection because they appear self-evident and "natural." By sensitizing the mind to observations of cultural constructs, conventions can be decoded and translated into tangible product expressions.

Beware! Sensitization has its drawbacks. Try not to think of a toilet every time you use your iPod!

©2005 frog design, inc. All rights reserved.