

Silicon Strategies Marketing

630 Taylor Avenue - Alameda, California 94501 - 510-521-4477 - www.siliconstrat.com

Selling Empathy

The power of positioning and branding

by Guy Smith

Silicon Strategies Marketing

www.SiliconStrat.com

“I want to kill my pager!”

When one thinks of the pagers used by Information technology (IT) workers, one thinks of late night distress calls, major network outages, broken web sites, enraged customers, and premature baldness via self-induced hair pulling.

But that would be understating the issue.

I came to be employed by a firm that sold software designed specifically to automate the process of sending messages to pagers of those brave and abused men and women that support our Information Superhighway infrastructure. My job was to turn this form of electronic sadism into a wildly popular product.

And we succeeded. When I left this company, the rate of unsolicited, qualified leads coming into the sales department was such that they could not keep up with demand. The support staff quadrupled during the two years in which the program was in place, and we ran our top three competitors out of the primary market segments, or out of business all together.

Creating and maintaining the right positioning and branding accomplished most of this success. We never sold our customers paging software. We sold them “Peace of Mind.”

Background

Telamon was a small, privately held company that has since sold-up and sold-out to Vytex Wireless. Like many technology firms, Telamon was started by technically focused individuals with niche products. For 20 years Telamon created interesting gadgets for tiny markets. When they launched their TelAlert product for driving pagers – and for drive people who carry pagers crazy – Telamon began to grow.

Like most small technology firms, Telamon did not have an integrated marketing plan. Indeed, the very term “marketing” was considered the manifestation of black arts and looked upon with great suspicion by the technically focused founders. Only my former background as a technical guru allowed me the latitude needed to take Telamon to the next level.

We began in earnest with the basics, including such fundamental issues as market segmentation.

Telamon had stumbled kinda-sorta into a segmentation model, but we formalized it, quantified it, and began the more interesting process of finding out how to exploit the target segments.

I'll skip the segmentation details because they only cloud the lesson at hand. What we did – and what remains too rare in high tech marketing – was that we spent considerable time looking for common traits in the buyers of our two primary segments, which were help-desk operations in large organizations and network/systems managers in the same. We interviewed customers, debated among ourselves, and read through technical support call logs to find common motivators for each buyer genotype.

We found a common thread between our market segments. It wasn't a feature. It wasn't a service. It was something completely based in the emotive side of their collective craniums.

“Strike up the brand!”

Before I reveal the magic behind our message, let's review for a moment what branding and positioning are all about.

I have never been happy with any of the common definitions for “branding,” so I had to invent my own.

Branding is the art of making your customers feel and believe what you want them to about your products or your company.

This seems blindingly simple, but the layers are daunting. We are describing nothing less than determining how your customers should think, what kind of emotions they have and should have, and how these emotions relate to your products and your organization. And since you must marry your branding and your positioning, you have to put this in the context of the entire market and your competition. That is a lot of mojo to carry.

In reality your preferred branding or positioning may not be possible. Down the street from my office is a coffee shop that sells what is arguably the worst cup of Joe on the face of this planet. Frankly, I've tasted better motor oil. But they are trying – with an amazing level of failure – to position themselves as the New Starbucks. No amount of advertising will ever allow this coffee shop to escape the brand they have already created, that of being the worst of the worst in the coffee business.

The lesson here is that your brand and your position must either be based in reality, or must address some element of the customer market that is so overwhelmingly powerful that it drives the customer into believing your position. If you can do both at once – find a powerful driver that also reinforces your competencies – then you have your customers minds, souls, and a few selected internal organs.

“Know thy customer as ye know thyself”

At Telamon, our prospect base consisted of help desk administrators, network administrators and managers of mainframe class computers. When we spoke with members of each group we asked questions about their lives. We wanted to know what they liked and hated about their

jobs, why job problems we problems for them and what they wanted in a perfect world (and we received some very strange and disturbing answers from that last question).

What quickly became apparent was that each of our core prospect genotypes had very high stress jobs. They were caught in the cross-fire between broken computers and angry users. As one customer noted, “You get a new ulcer with each paycheck.”

We discovered related similarities in their motivations. Our prospects were not motivated by greater income or better job titles. They weren’t impressed with superior features (which we had) or even wiz-bang new technology. They wanted two things and two things only – less job stress and tools that they could rely upon.

“Light up both halves of their brain”

The story herein illuminates one of the untold truths of high tech marketing – that people in high technology have actual, human emotions. You would be hard pressed to accept this given the feature driven zeal of the typical technology vendor. Vendors, being driven by geek founders and geek developers, tend to communicate in geek lingo. To the detriment of their lead generation they blithely ignore that which creates the most powerful of motivations – the emotional half of the brain.

Thus, is my first dictum concerning high tech marketing:

Ignite both halves of the customer’s brain. Appeal to their logical and emotional selves through your positioning and branding.

This gets to the essence of brand strategy. The emotive elements of branding create immediate and long-lasting appeal (or repulsion if you are not careful). Coca Cola has tremendous equity far beyond their factories, distribution channels, and brand licensed products (Interbrand/ BusinessWeek calculate the value of the Coca Cola brand to be in excess of \$69 billion). They own a piece of the collective mind of the entire industrialized world. We may not be able to articulate what we feel about Coke, but we know we feel it at a visceral level.



For TelAlert we knew what our branding direction needed to be. We knew that our prospects wanted pain-relief and a life free from worries. So that is what we sold them. TelAlert was not promoted by techno-jargon or by listing its features and quantifying its scalability. We didn’t sell software – we sold Peace Of Mind.

“Peace Of Mind” became the product slogan and was the core of our every message and even our display advertising. We communicated that the product resolved a nagging issue of reliable problem alerting, was rock solid, came with support beyond the norm, and gave the buyer a Zen like sense of well being. Herbal teas had nothing on TelAlert.

Important to our branding was that we could deliver on the brand promise. Telamon was a

company dedicated to “making happy customers.” The founders were legends in their initial markets for helping to assure customer success. When tasked with establishing Telamon’s new tech support department, I made sure this dedication to the customer was the reigning mantra.

The same anal retentive nature of Telamon’s support was found in their products. The user interface was horrible and the feature set was bewilderingly complex. But TelAlert was the most stable and reliable software I had seen in my entire career. One customer told us, “When the help desk tells us there is a problem with the network, I don’t believe them until TelAlert pages me.” When we said TelAlert brought Peace Of Mind, we knew we could back up the claim.

What is instructive is how using the emotional bias of the customer made the difference in dominating our markets. As an early test we ran two different display ads. One was a simplified illustration of the functioning of TelAlert with some descriptive text. The other was a drawing of a very happy fellow in business casual attire, leaping into the air over the exact same text. The “happy customer” ad received almost 20% higher response and recognition than the “technical” ad.

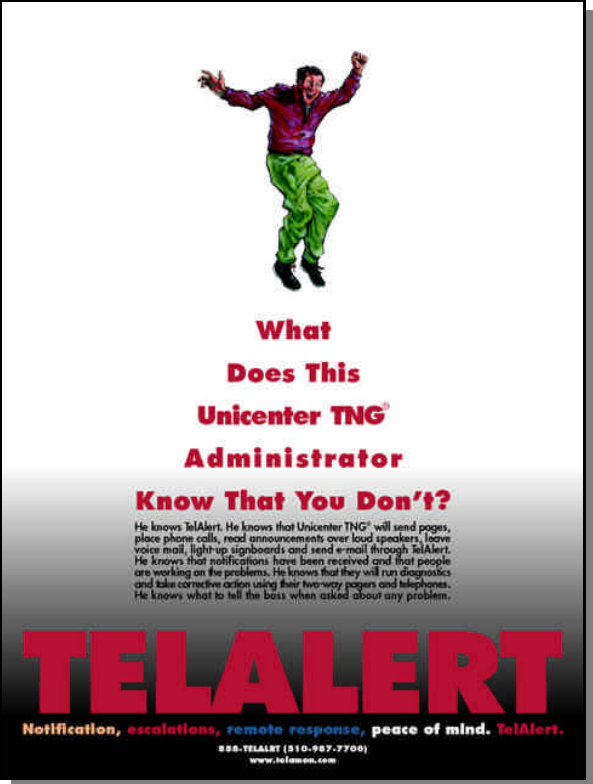
“Assume the position”

Our mission at Telamon was to completely dominate our markets. I agree with William Davidow, former marketing guru at Intel when he said, “Marketing is civilized warfare.” If you enter a market with any other objective than the complete annihilation of your competition, then they will likely annihilate you.

Within Telamon we debated how to achieve this and decided that our best shot was to create in the customer’s mind that TelAlert was the only real alternative. Our attitude was, “Sure, there are other pager products, but why would you even consider them?” Herein comes the artful intersection between branding and positioning.

First, our “Peace Of Mind” branding was the corner stone of our positioning against competitors. It was what differentiated us from the others firms that continually leaned on either techspeak or creatively useless new features (we had creatively useless features too – we just didn’t hype them). We sold customers something more than software – we sold them a better life.

We did not hesitate to capitalize on our technical support strengths. Whenever we received compliments from customers, we celebrated them internally – to reinforce our Happy Customer mantra – and we shamelessly posted customer quotes on our web site to drive home our added value to prospects. I could at this point diverge into a discussion of the “whole product design” behind TelAlert, but that would only complicate the story.



The advertisement features a man in a purple jacket and green pants jumping joyfully in the air. Below him, the text reads: "What Does This Unicenter TNG Administrator Know That You Don't?" followed by a list of capabilities: "He knows TelAlert. He knows that Unicenter TNG will send pages, place phone calls, read announcements over loud speakers, leave voice mail, light-up signboards and send e-mail through TelAlert. He knows that notifications have been received and that people are working on the problems. He knows that they will run diagnostics and take corrective action using their two-way pagers and cellphones. He knows what to tell the boss when asked about any problem." At the bottom, the word "TELALERT" is written in large, bold, red letters, with the tagline "Notification, escalations, remote response, peace of mind. TelAlert." and contact information "888-TELALERT (510-987-7700) www.telamon.com" below it.

Finally, we leveraged our strategic partners. None of our customers wanted to buy paging software. What they wanted – their expected outcome – was for some other software package to alert support staff members when a problem arose. They wanted their help desk management software, their network monitoring software, or their enterprise systems management software to find the right person and relay critical information to them.

So we aligned ourselves with leaders in the help desk, network management and enterprise management markets by integrating with their products, educating their sales and technical people, and cutting reseller agreements with their professional services groups. When a customer of those products asked their sales or support person what options existed for paging, they said, “TelAlert and nothing else.” In other words, we got our strategic partners to repeat our positioning almost word-for-word. We inherited the trust relationship that our partners had with their customers.

The value proposition and our positioning were one in the same. We offered our customers Peace of Mind by integrating rock-solid pager software with their mission-critical enterprise software, and backed it with the best training and support in the industry. In other words, our positioning made us the only rational choice. To drive home the point we bought full-page advertisements in critical trade magazines (something our competitors wouldn’t risk doing due to the cost involved) so we looked like the only successful product in the market.

And it worked. I have seldom been as happy as one day at a trade show when one of our top competitors approached me and said, “Guy, this is our last show here. You ran us out.” Indeed, marketing is civilized warfare, and the winners are the survivors.

“I feel your pain. No, really I do.”

The lessons to take away from this trip into the high tech marketing battle lines are few, but extremely important:

- 1 Segment your markets well. It is the first step to . . .
- 2 Knowing your buyers and their motivations
 - o Know their expected outcome motivations
 - o Know their emotive drivers
- 3 Differentiate your product on more than just technical terms
- 4 Make damn sure you can backup your claims
- 5 Align your positioning and branding on what you are, what you do, and where that intersects with your customer’s motivators

Guy Smith heads Silicon Strategies Marketing, a marketing consultancy devoted to helping high-technology vendors dominate their markets. He has consulted with technology firms in such diverse fields as high-availability software, interactive television, wireless messaging middleware, pure e-commerce plays, and Collaborative Software Development suites. Smith focuses on guiding his clients through the rigors of developing precise market strategies and educating his clients on both the theory and tactical necessities of their strategic implementations. His marketing expertise is matched by more than 20 years as a technologist specializing in high-availability IT processing.