

Marketing News

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4 technologies that b-to-b marketers can leverage now

Business-to-business marketing often trails behind the sometimes savvier business-to-consumer market when it comes to adopting new technologies. That's all changing, though. In 2004, spending on b-to-b digital marketing in North America jumped to 35% of the overall marketing budget from 28% a year earlier, according to a 2004 study commissioned by Responsys Inc., a Redwood City, Calif.-based provider of e-mail marketing programs. Worldwide, interactive b-to-b marketing spending in 2004 was 10% of total expenditures, vs. 6% for b-to-c firms, says a study by the London Business School and Paris-based communications and advertising agency group Havas.

And 92% of promotional marketers say technology has influenced their industry "significantly," with Web sites, e-mail campaigns and online advertising among the top uses, according to "Digital Directions: How Technology is Touching & Transforming Promotions," a study conducted in late 2004 of more than 250 senior executives in promotional marketing.

Fielded by nonprofit Palo Alto, Calif.-based CMO Council, a group of technology marketing executives, and Promotion Marketing Association Inc. in New York, the survey found that marketers are realizing the benefits of technology—particularly the Internet—for cost-effectiveness, real-time interaction with prospects and improved return on investment.

Despite the advances in the b-to-c arena, marketers in the b-to-b arena still have the most to gain from new technologies, especially those related to targeting, as

their audiences are narrowly defined and tend to be more difficult to reach. Following are four new trends in b-to-b marketing that capitalize on the benefits of technology in reaching those audiences:

Blogging. Long a popular channel for the nattering nabobs of the Net, companies are starting to add blogs to their marketing arsenals. Sun Microsystems and General Motors have generated buzz for having powerful and popular b-to-b blogs.

Blogs are all the rage since the 2004 political conventions, explains Kent Lewis, president of Portland, Ore.-based Anvil Media Inc., a search engine marketing agency. "The ability for Joe Average to rapidly and easily publish to an audience of millions is empowering and intriguing," says Lewis, whose client, marketing communications firm Marqui, used blogs to launch its rebranded company and product line in November.

The Marqui site quotes company president Stephen King, who says that his bloggers are paid to blog for three months, and to say what they will about Toronto-based Marqui in those blogs.

Blogging offers key benefits to b-to-b marketers: an additional footprint on the Web, the ability to brand company personalities or experts as influencers, and an opportunity to build visibility in search engines via free resources like blogger.com.

Most important in b-to-b marketing, argues John Fox, president of Downers Grove, Ill.-based Venture Marketing and author of *Marketing Play Book*, is giving

information to customers a little at a time. "That string is becoming very effective for marketers—breaking down information into bite-sized pieces. Let the prospect take the first step," he says.

Fox advises marketers to place enough information on the company's Internet site that prospects are engaged in various ways. Somewhere on that page, though, should be a link to a blog that—unlike typical blogs that can border on little more than rants—is all about the company's expertise, a sort of extensive résumé. To remain effective, though, the marketer must make sure it's updated at least weekly.

For some good models, Fox suggests checking out weblogs.jupitermedia.com/meckler, in which CEO Alan Meckler updates his blog almost daily with news from across the high-tech world that affects Jupiter Media; and <http://h20276.www2.hp.com/blogs/marcello>, in which HP exec Rich Marcello has critiqued IBM's latest processor and—two weeks after the departure of CEO Carly Fiorina—addressed the impact of the staff changes on HP. Marcello is the senior vice president and general manager of the Business Critical Servers product line within HP's enterprise storage and servers global business unit.

"Blogs provide baby steps," Fox says. "They're not pushing anything on a client. They're letting the client read at his own pace."

Barbara Finer agrees. Blogs allow for personal interaction without the person, says the professor of marketing and entrepreneurship at Wellesley, Mass.-based Babson College. With 20 years of experience assisting

emerging growth and start-up technology companies with strategic marketing efforts, Finer has held senior marketing roles at several companies, such as Cambridge, Mass.-based MathSoft Engineering & Education Inc. and NetGenesis Corp., a subsidiary of Chicago-based SPSS Inc. "People don't often like to pick up the phone and talk. They're worried about being sold," she says, explaining that blogs allow companies to be personal and garner information while respecting that sense of privacy.

Personalized e-mail. The old "we've got great stuff, call us" doesn't work any more. Like its paper cousin, personalized e-mail is being redesigned to be more customized than ever.

Fox notes that some vendors have created technology that allows marketers to create a 30- to 60-second video message in the form of an informative commercial that can be personalized for a prospect. It's similar to video email but has the feel of a microsite: The video is part of a simple e-mail sent to a prospect. "Call in advance to send a voice mail to let the prospect know he'll get an e-mail with a link to a customized video mail," Fox suggests, adding that his clickthrough rate is 40%. "It's one of the best prospecting tools I've ever used."

The message is built into a Web window and customized with several buttons ("learn more about us," "testimonies," "opt out"). Fox suggests not embedding the message into the e-mail directly because most spam filters will prevent it from entering the in-box. His company charges between \$4,000 and \$5,000 to train marketers how to use it. From there, marketers may create endless numbers of quick, personalized video messages. Other companies charge per click, so the user is charged only when someone opens the message itself from the email.

Similar to print direct mail, personalized e-mails can be customized with each recipient in mind while offering greater flexibility and cost reduction. "Inserting a name, address, favorite color or car model and unique tracking strings enable detailed measurement through send-receipt-open-read-click-conversion," Lewis says. "Much more powerful than print direct mail, personalized email is one of the most cost-effective forms of lead generation next to search engine marketing."

Podcasting. This Web-based broadcast medium has taken off in recent months among technophiles, but b-to-b companies now are joining the trend. With podcasting—a combination of the words iPod and broadcasting—regular audio programs are

delivered via the Internet to a subscriber, who can listen to it on his portable music player such as an iPod whenever he wants to. Podcasting has ushered in an age in which tuning in to a Web radio during a scheduled broadcast or downloading a file from a page is no longer necessary. Instead, a copy of the event is on the listener's computer or portable music player and is automatically delivered to subscribers.

"Popular and relevant podcasting content might include sales presentations, executive speeches and product demonstrations," Lewis says.

Podcasting was pioneered by Dave Winer and former MTV host Adam Curry, using the RSS feed, an Internet publishing medium that's been adopted by several major news organizations. RSS feeds also have been designed to enclose audio files—hence the birth of podcasting. (See "Podcasting 101" for how it works.)

"It's creating a surge in interest because it gives anyone the ability to syndicate a radio show," says Alex Williams, managing director of events at Cambridge, Mass.-based Corante.com, which publishes media focusing on various technology-oriented topics.

Marketers have several opportunities to join the trend. Warner Bros. recently agreed to sponsor The Eric Rice Show; he founded Audioblog.com, which allows users to post their thoughts on the Internet, and the show is a Generation X spin on technology and entertainment topics. Under the agreement, Warner Bros. has the exclusive right to play music from Warner Bros. artists throughout his podcast.

In March, former North Carolina Sen. John Edwards announced the launch of his own podcast, and a month earlier, Detroit-based General Motors Corp. released its first-ever podcast when Gary Cowger, GM North America president, was interviewed about the Cadillac DTS and Buick Lucerne luxury sedans, which were introduced at the Chicago Auto Show. Since then, the GM FastLane blog has featured two other podcasts—each about 10 minutes in length—touching on developments in soon-to-be-released models.

The podcasting trend remains in the early stages, though. "A lot of it is still in the geek domain," Williams says.

Screen-sharing software. A year ago, San Francisco-based Philippe Becker Design Inc., a branding and package design firm, was about 20 minutes into an online PowerPoint presentation with a major California winery when a colleague noticed that winery executives were still on the first slide.

Two months ago, PBD subscribed to a

screen-sharing program, Mannheim, Germany-based BeamYourScreen.com, and realized how far technology has come. For less than \$100 per month, subscribers install minor software that allows them to share presentations over the Internet, with no obligation on the part of the prospects to download their own software.

With those programs, the user calls a prospect with his pitch, sends the prospect to the BeamYourScreen site with a password and instantly the prospect can view whatever is on the user's screen.

"Because our presentations are very involved ... it (has) allowed us to make a lot of presentations that we otherwise would not have been able to make," says Becker, president of PBD, whose clients include Disney, T-Mobile, Safeway, Whole Foods Market and Forbes.

In the two months since his firm subscribed, they've tripled their number of presentations and realized all sorts of cost savings. For example, in January, PBD sent two staff members to make a presentation to an East Coast-based snack food Fortune 500 prospect for a cost of nearly \$5,000 (between airfare, accommodations and other costs). Using the screen-sharing program, the company's sole cost likely would have been the monthly screen-sharing software fee. "It's a huge cost savings," says Becker, who admits that there's no substitute for meeting face-to-face, "but because of that, people are often hesitant to want to receive three or five or eight vendors for a particular project." So PBD has capitalized on what has become an effective and quick way to market.

"In a perfect world we'd have sufficient time and money to visit all our prospects, but cost and distance are factors," Becker says.

Although Becker acknowledges that successful products such as NetMeeting and WEBEX already exist for this purpose, most require both parties to be on the same platform, meaning that the prospect has to install software. "This is a low commitment on the prospect's part. When you're trying to toot your own horn, you can't make people jump through lots of hoops like installing software," Becker adds.

"It all goes back to accountability of spend," says Donovan Neale-May, executive director of the CMO Council. "For b-to-b decision-making, the Internet is everything. It is the most powerful channel out there because of its deliverability, tracking and measurement and cost-effectiveness." ■