

Blowing it *Silicon Valley Style* (or, The Top Five Marketing Mistakes Made by High Tech Companies)

Back in 1991, Geoffrey Moore wrote a book that outlined the marketing tactics required for a high-tech firm to make it into the big-time ala Siebel, Intuit, Palm, etc. In *'Crossing the Chasm'* Moore described the problems presented by the 'technology adoption cycle', and what to do about them. Since then, Tom Peters has been helping us innovate, Seth Godin has shown us how to get permission, and Jim Collins has shown us what it takes to be great, and so on, ad-infinity¹. So why, more than a decade later, is the marketing portfolio of 9 out of 10 high tech firms still *terrible*?

Let me go out on a limb and attempt to grossly over-generalize the marketing problems of an entire industry. I'll outline the top five mistakes (in reverse order) made by high-tech marketers.

Marketing Mistake #5 – Assuming that prospects will find you...

So you've created a great product and built a website. Now all you have to do is sit back and wait for the orders to come rolling in, right? Well sorry but no. Just as you had a specific strategy and process for creating your technology – you need a specific plan for marketing it too.

At its most basic level, creating a marketing plan can be considered a 5-step process:

1. Select your target market - preferably you did this before creating your product.

¹ If you have no idea what this sentence is about, you might benefit from a trip to Barnes and Noble before this decade is over too...

2. Create your message – these are the specific words you use to communicate your value to your chosen target market, more on this later.
3. Define your ‘offer’ – this is the specific call to action targeted to your market – more on this later, too.
4. Selecting the medium(s) – deciding logistically how you’ll get your message to your market.
5. Implementation – actually doing it.

Without a very real and defined marketing plan, you’re in real trouble. Like the man said, “if you fail to plan, you plan to fail”.

Marketing Mistake #4 – Failure to engage with an offer...

I’m no fisherman, but even I know that if you want to catch fish, you need some bait. You also need to drop your hook and bait into the water. Elementary you might say, but this is the crux of marketing mistake #4 – failing to engage with an offer. This is the web page, email, or ad, which tells how good your product is but doesn’t ask your prospect to take any specific action.

Better instead is to understand that each step in your marketing process should naturally lead to the next step, for example, a click on a website leads to another click, from there it leads to a free whitepaper download (the bait). It’s how you catch fish!

Marketing Mistake #3 – Telling too much, too soon...

Here’s one of the problems with technology: often you end up dealing with different buyers – the economic buyer, the technical buyer, the user, and the decision maker – four people all making purchase decisions based on different criteria for different reasons².

² This is what Mike Bosworth calls “the complex sale” in his great technical sales book ‘*Solution Selling*’.

Each of these buyers is looking for specific information, and the temptation is to create marketing materials that are highly detailed (in order to cover all the bases). Assuming that they're not confused by the overwhelming amount and detail of information (and they probably are), then you're probably guilty of telling too much, too soon.

When you tell too much, too soon, you've lost control of the sales process, because your prospect doesn't need you anymore – you have nothing else to offer. You're left just waiting to see if they call you back (and they usually don't).

Marketing Mistake #2 – Poor selection of tactics...

Now it's not a question of limited imagination, but for some reason many high-tech companies just can't think of any marketing tactics other than tradeshow and ads. They quickly come to find that ads are very expensive (with a low ROI), and the two main industry shows per year can't sustain 12 months worth of sales.

Unfortunately, most high tech companies are missing out on the smorgasbord of cost-effective marketing tactics that could be used to promote products. I think a good marketing strategy has a combination of passive and active tactics, and makes good use of free and paid marketing techniques. It's likely that no single marketing tactic will rocket your company to greatness, but 4-6 marketing tactics all operating independently (but still with a consistent message) will provide a solid foundation for growth.

Marketing Mistake #1 – Overly complex explanations...

One unfortunate requirement for creating great technology is a thorough understanding of your technology and industry. This is unfortunate because in the very act of becoming 'expert', you lose much of your ability to explain in the simple terms that compel people to buy.

In many high tech companies, the sales brochure and the user's manual are very similar. And whilst an in-depth technical review might be great for a user's guide, it falls far short in a marketing message.

One rule of thumb is that at least half of your marketing message should be about the problems solved by your technology, not how they're solved. In this age of increasing usability, the user and the developer are growing farther and farther apart. Your marketing message must always be written from the perspective of the user, not the developer, or even the 'technical user'. (When I help companies do this, I call it 'translation'.)

Personally, I like the 'history teacher test'. Is your marketing message understandable by someone intelligent, but without any prior knowledge of your technology (like a history teacher)? For maximum comprehension (and persuasiveness) your value proposition should rest upon the actual benefits of what your product provides, not its technical specifications.

Conclusion

There are many ways to blow it Silicon Valley style (at least five). Hopefully, you've taken a step towards diagnosing the problems that your marketing may have. The good news is that these problems aren't too hard to fix - just being aware of them will help.

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