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## marketing after the bubble



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ONCE UPON A TIME, THERE WAS A tech boom and too many people got carried away by the hype. We may not have bought into the hype ourselves, but that didn't matter when downsizing came along.

Despite this, the need for software and maintenance has increased and there are still a lot of opportunities out there. But in a post-bubble universe, does marketing matter? Do we need PR? And what about the hype about new products and new technologies? In the long run, does any of this even matter for the technician or the engineer?

Unfortunately, hype is still hype: excessive promotion of something that may or may not ever make it to market (think vaporware). But marketing and PR are still important and both still matter to engineers, even to those who aren't managers (and never intend to be).

How did hype get so popular, what does its seeming demise mean, and what are marketing and PR exactly?

Do you know?

### In the Beginning

Companies need visibility. Every product or service requires some sort of publicity, even if only to let customers know that the product exists.

The principal methods of executing this are through marketing and public relations.

While definitions vary, depending on whom you talk to, we like to define marketing as publicity that introduces, describes, or explains products and companies, and PR as those marketing efforts that actually touch the customer in some way. Using these definitions, marketing can include branding, naming, logos, corporate identity, product definitions, efforts to publicize both company and products (including sales presentations and training), locating companies and products within the larger industry, defining where and when products will appear (at trade shows, in stores) and how they can be purchased, advertising, and pretty much anything else that gets the word out there.

Public relations, on the other hand, deals directly with the customer or prospective customer and is, basically, a subset of marketing. It can include press releases, the methods by which products are presented to the media and the public at large, newsletters, article placement, and the like. Some would also

include advertising here, as well as a number of other things (branding comes to mind).

Given these definitions, what happened with marketing, PR, and hype in the tech bubble, and where are we in relation to these areas now?

If you look at the verbiage surrounding the “irrationally exuberant” market—a period when Microsoft went from just over \$5 per share (1995) to nearly \$60 (2000) and RedHat went from an IPO of under \$30 per share (1999) to over \$135 (2000), to say nothing of those companies that garnered investment and died within 36 months—we find “killer app” and “next big thing” in the starring roles.

We never found out what the apps would kill or exactly what that next thing was.

If you're a particular fan of technology, shoes, or comic books, some items are “must haves,” but that won't matter to a marketer who, instead of locating a niche market in which to break even (or lose money), is trying to reach a wider audience to make a profit. Rather than hype, big (and even small) investors are interested in the promise of the technology and the likelihood that they will at the very least get their money back.

If hype is that bad, and it is, what can marketing and PR do for us that we might actually want?

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## Raising Awareness

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For starters, marketing and PR, the good kind, inform the target audience that a product exists. Back in the good old days, movie previews were targeted to specific audiences. If you were sitting down to watch an action film, you'd see previews for other action films (in marketing-speak, “coming attractions”).

These days, when you go see an action film, you might see a trailer for just about any genre movie. Why? Presumably the movie studios are (1) desperate and grasping at straws; (2) finding that moviegoers like more than one type of movie; (3) finding that people accompanying fans of action films to the movie may prefer documentaries, so the theater shows previews for a variety of films; or (4) hoping to expand their audiences and entice someone who usually likes action films to see a comedy because, well, people have a variety of tastes and something might cause a person to cross over from one genre to many genres.

With all the money spent on advertising, television, billboards, magazines, spam, spam faxes, etc., you might be surprised to learn that it is commonly accepted in the field that advertising doesn't increase sales. What it does do, and this has been documented,

is let the audience know that a product exists—it raises awareness.

If you're watching TV and have been looking for a product that cleans dark marks from walls and an advertisement for the “Magic Eraser” comes on, you might think, “Now that's the product I've been wanting! I'm going to try it out, if I see it the next time I go shopping.” If you don't care about these things, you are likely to either get yourself a snack, watch the ad and think “That's a stupid ad,” or change the channel until the ads are over.

And marketing? Well, if you see a product in an advertisement or hear about one from a friend or see a product somewhere, you'll want to be able to recognize that product when you go out shopping for it. So logos become very important, as do the characteristics of the product. You know what the IBM logo looks like. You know that Lucent's logo was something that looked like a zero drawn by a pre-school child. You know what the mini iPod looks like and the colors it comes in. You can recognize the shape and the color. What's IBM's nickname (among others)? Big Blue. What color is their logo? You guessed it. How has Apple made its mark? It moved away from machinery in grays and taupes and went to bright colors. If you see a brightly colored machine you don't recognize, you're likely to think, “Oh, an Apple product.” And you know that Apple logo, so you can check to see whether you're right or if someone else has jumped on that bandwagon.

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## PR

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And what do all those press releases do? Unfortunately, a lot of them purport to be news when in reality they are simply just another piece of writing to send to journalists so that the journalists don't forget about the company's existence. (Journalists may just reprint the releases, some without any rewriting. This is common and accepted in product announcements, but really bad when it's an actual article that claims to be unbiased.) The good releases, and the only ones that good journalists pay attention to, are the ones that actually contain news: a new product that fills a previously unfilled niche; a new distribution of software that fixes the problems, previously reported in a product review perhaps, of the old version; the founding of a new company; in rare cases, the movements of high-level, well-known individuals within the company or from a company (think of the news about Carly Fiorina's departure from HP).

Around 90 percent of all the news you see, in all media, is produced from press releases, which often

entails PR professionals making call after call to get a journalist interested in reporting what they have to say.

Let's end this with a concrete example. If you're hiring a PR professional, you might want to find out what kind of journalists your candidates have regular contact with and how good their relationships with journalists are. Sometimes those relationships haven't developed yet, but if you think the person you're hiring has the ability to make those connections, you're still in good shape. Contacts really reflect trust and experience. And someone without media contacts may not be what you want to invest in, but may also be the next "best friend" of the journalists you want to reach.

But why do you want to reach them? Why does it matter to the engineer, programmer, or scientist? The

(very) short version: If the marketing team and executives can't find a way to sell it, whatever it is, then the product is dead. If no one knows your product exists, it may be the most useful creation of the last five years, but no one will get any use out of it.

Engineers need to be aware of what marketers will do to publicize the product and if they will be able to find a niche for it. Why? If your work doesn't sell, you or your group or your department might be the next to get cut, since you're spending money but not making any. Your products and services need to be marketed well.

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