



Case Study: Direct Marketing



Technology Marketing Highlights

- Technical audiences are different.
- The distrust and dislike many conventional sales and marketing approaches.
- They actively seek out highly detailed information.
- There are few actual **decision makers**:
- Technical people *recommend*.
- Senior Management *approves*.
- Both must be addressed.

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Technology Marketing

Direct marketing was part of an integrated campaign for high-end computer systems. This program was *developed by* technical people, *targeting* technical people.

Target Audience

Overall, the technical community dislikes and distrusts traditional sales and marketing messages. They distrust and tune out messages that they perceive as "content free" or intended to manipulate them. They like relevant, credible, technical information that they can *apply*.

They are used to absorbing large amounts of data. They subscribe to -- and actually read! -- technical journals. They attend conferences and read the published papers. They read books. They have even been known to read documentation!

They are used to *absorbing* large amounts of data, *evaluating* it, and reaching *quantitative decisions* based on solid data.

With these characteristics, it is no surprise that a traditional 4-color, glossy, heavy graphics and little text *brochure* has limited effectiveness in reaching the technical community.

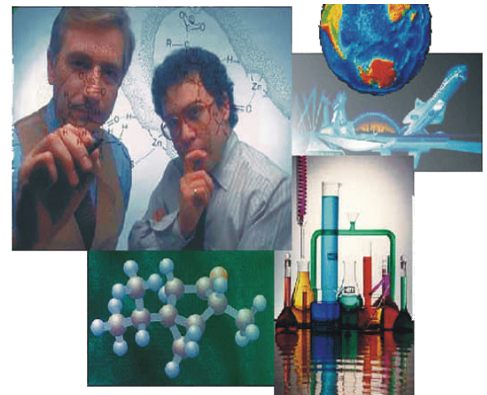
Technical Collaterals

With these characteristics in

mind, we planned a complete marketing program including developing in-depth technical papers and delivering them — both electronically and in printed form — directly to the target market.

These technical papers were deliberately designed to follow the format and conventions of academic and professional papers. The writing style presented solid information, and was carefully crafted to *deliver the desired marketing messages*. Throughout the design and writing, the intent was to develop a document that would be perceived as a credible source of information, that would be at least skimmed by the majority of people who received it, and that would be read, marked up and passed on by the people who were preparing to purchase systems.

Cost was an initial concern for the program. We discovered it actually cost less to print and mail a 30-50 page technical paper than a single traditional four page 4-color brochure! In fact, we developed an approach that allowed us to print and mail a complete 30+ page direct mail piece for roughly \$1.00!



Customizing and Targeting

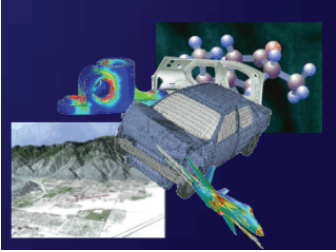
We developed an approach to customizing the mailing pieces for different target audiences by using the same body content and developing different covers. This allowed us to achieve excellent economies of scale with the body and change the covers as needed. Since the cover was printed on different (heavier) paper, this did not add any additional steps, and changes to the single piece of paper that constituted the cover were quite inexpensive.

We used this approach to change the introduction, call to action, and any special offers for different audiences. This proved effective and economical.

The Complete Program

When marketing large, expensive products it is not sufficient to touch a prospect once. It is necessary to deliver your message multiple times before it is received.

With this in mind, we developed a long-term program



Engineering and scientific applications play a major role in technical computing.

Technical people often have a "marketing firewall" that filters out anything perceived as marketing or sales.



The Alpha Powered Slide Rule

Technology Marketing (cont.)

that involved delivering a new technical paper every 2-3 months (our goal), with selective follow-up.

While the core of the program was direct mail of the technical papers, we also made the papers available online through our Web Site. This was extremely simple -- we produced a PDF file of the paper and placed it on the Web for download.

We did targeted email campaigns where we sent a notice of the availability of the paper and a pointer to the Web Site. This was only done to people who had requested email. The primary email vehicle was to include the information in an existing

monthly HPTC newsletter.

We also did telemarketing to a sample set of prospects. The telemarketing was formatted as a survey -- "Did you receive the paper? Do you remember it? Was it useful? Do you want to receive more?" Of course, there were a few buying related questions, and anyone who was planning to purchase a system was immediately passed on to sales!

Results

The technical papers were extremely well received by the target market. They received high ratings for content and useful information, were considered credible, and the vast majority of people

indicated that they would like to receive more of the papers.

We received over 1,000 responses to one round of mailings. Actually, we received over 5,000 responses -- a situation that we called "Reverse Spam" (see article below). Considering the small number of people in the HPTC market, a response of 1,000 represents an extremely high penetration.

Unintended Consequences: "Reverse Spam"

We used several special offers and drawings to increase response to our mailings.

The most effective of these proved to be the *Alpha Powered Slide Rule*.

I remember slide rules... Yes, I still have mine, a nice Pickett N4-ES Vector-Type Log Log Dual-Base Speed Rule, complete with leather case with belt clip!

We located a source for 6" solid maple slide rules, ordered 1,000, and had them printed on the back with the Compaq and Alpha Powered logos and the URL for the HPTC Web Site. Thus, the Alpha Powered Slide Rule was born.

I showed these slide rules to technical people, both inside the company and customers. The reaction was universal: "That's ridicu-

lous! That's cheesy! That's sick!... *Can I have one???*"

We included the slide rules as an offer on one of the technical paper mailings, to be requested by filling out a form on our Web site. Requests started coming in, a few at a time, beginning to add up.

Then we came in Monday morning to find over 2,000 requests! By Wednesday we had over 5,000 requests!

We examined the requests, and found titles like "Domestic Goddess" and "Florist". We found requests from elementary schools and Eastern Europe.

We finally determined that the offer had been posted on a "free stuff" Web site and email list, and concluded that we were experiencing "reverse Spam." We felt a certain sense of irony...

After removing the requests that were clearly out of our target market, we still had over 1,000 valid responses. This was an extraordinary response rate, approaching 20%.

We learned several lessons from this experience:

- Give-aways and special offers don't have to be expensive to be effective.
- You need to understand your target market.
- On-line offers need to be carefully qualified.
- The Internet is extraordinarily powerful!