

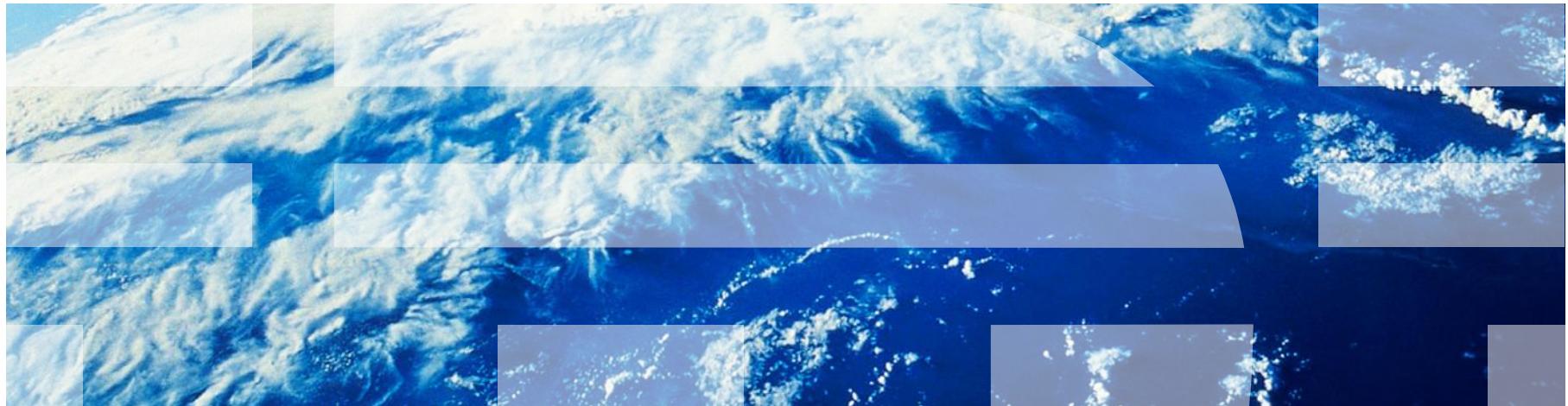


Exclusively for midsize businesses

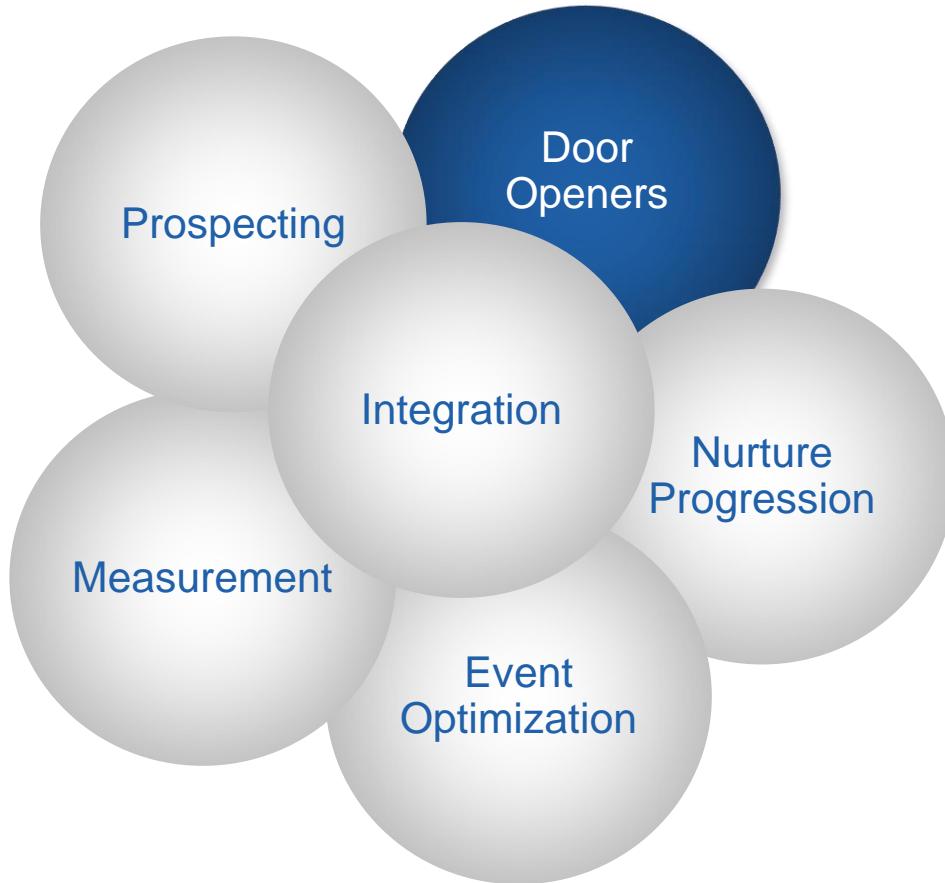
IBM Midmarket How-To Guides:

Next Generation Door-Opening Demand Gen

October 2010



IBM Midmarket How-To Guides: Evolving Our Approach to Effective DG



Objective

- This deck will address general principles for what makes a great door opener experience and what approaches are currently seeing success in the marketplace. In doing so, we will outline the many forms an opening touch can take, from traditional to those emerging from the digital and social media revolution
- The strategies outlined on the following pages address both acquisition and install bases and can be implemented across the IBM team, business partners and MSV partners

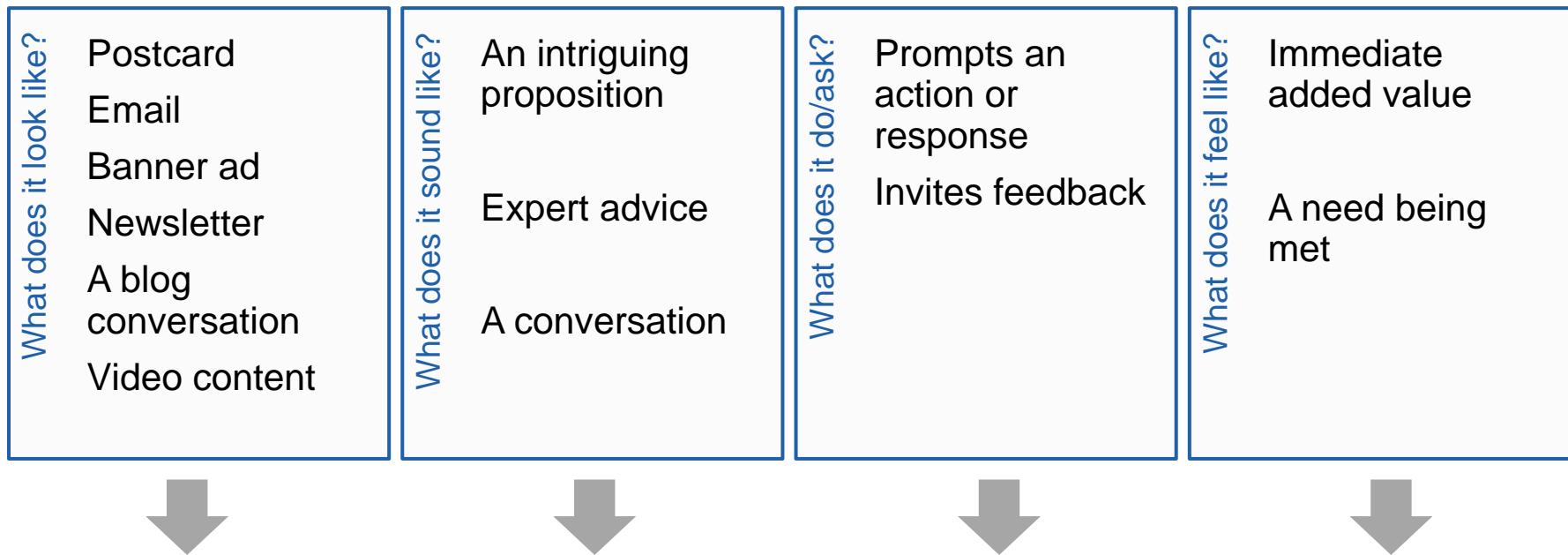
Definitions

To unite our efforts, we must work around a common language for demand generation. As such, we have defined the following key terms:

- **Demand Generation:** (The Process) One-to-one contact that initiates an action in the target prospect
- **Opening Touch/Door Opener:** (The Message) A message which the prospect recognizes as addressing a relevant need state, effectively ‘opening the door’ to a conversation

Create the Right Experience

Uniting around a shared understanding of the door opener experience will help to ensure consistency in our efforts and delivery on value.



Key Take-away:
Door openers can take many forms, including non-traditional routes

Key Take-away:
Door openers should focus on what's relevant to the prospect

Key Take-away:
Receiving the message and taking action should be easy

Key Take-Away
Value comes from both the offering and the quality of the door opener experience

Craft the Right Content

Finally, with a core set of principles to rally around, we can ensure quality in our approach.

The message should be...

- **Compelling:** Serve up content and offers that are relevant (i.e., start with what the prospect needs and work backwards to align to offerings and solutions), that spark interest, and that improve the prospect's value in the eyes of his peers (give him something he wants to share)

The delivery should be...

- **Easy:** Content should be in the places where the prospect is looking when they have a need. Interacting with content should be simple and straightforward

The interaction should be...

- **Two-way:** Achieve this by having a dialogue that listens to the prospect, gives him a channel to communicate back or facilitates discussion

Choose the Right Approach

- There are many tactical approaches to door openers. These can fall into two categories – “push” strategies or “pull” strategies. Often, campaigns are comprised of both. The next pages outline an understanding of these strategies, when to apply them, and how to leverage door opener core principles for success in each strategy

Choose the Right Approach

“Push” Marketing: We Seek the Target

- The traditional approach to demand generation has been to work forward (“push”), pushing content out to distribution channels and prospects

PUSH:

- Is a hard sell
- Is informed first by the company’s objectives
- Uses paid media channels and distribution methods

EXAMPLES:

- Outbound email to a purchase list
- Direct mail postcard
- Tele-outreach
- IBM Events
- IBM-branded and co-marketing assets

Use Push Marketing To

- Build awareness of your offering
- Enter a new market
- Nurture qualified leads
- Initiate a sales conversation

The collage illustrates various push marketing tactics. The top right image shows a woman wearing a headset, representing tele-outreach or direct mail postcard efforts. The bottom left image is a screenshot of the 'IBM Virtual Event Welcome Center' website, which includes a 'System Storage Webcast' section. The bottom center image is a screenshot of an IBM promotional email for a data storage event.

Applying Core Principles to the “Push” Approach

COMPELLING:

- **Customize** – (the pathway) means **allowing a user to control** the experience by selecting content categories that interest him. This simple process is powerful at **improving response and provides valuable data** on what is most relevant to each prospect

EASY:

- **Create opportunities for feedback:** Creating opportunities for feedback not only deepens the relationship with the prospect, but it provides further data for customization and tactical improvement. Simple changes that can be made to a demand generation campaign are:
 - 1) Link email back to a feedback form, 2) Avoid sending messages from a “donotreply” address which shut down a conversation. Instead, direct to a help center return address or social media site, 3) Ask “Is this relevant?”/ “Did you find this helpful?” response-enabled buttons/links/pop-ups in all communications to immediately learn what content works and what doesn’t.
- **Remove barriers:** Ensure an easy path for prospects to connect (whether via vanity URL, link, email, phone, etc.)

TWO-WAY:

- **Opt-In Conversations** – Create a channel for two-way communication that achieves data capture and delivers relevant content. E-mail can open the door to a conversation by engaging prospects with 1) an opt-in newsletter (where conversation is facilitated through expert Q&A, integration with live events/webinars, etc.) 2) by directing them to a relevant blog, or 3) by providing further content formatted to allow for user commentary

Choose the Right Approach

“Pull” Marketing: Target Seeks Us

The marketplace – and expectations – are changing. Successful demand generation campaigns are now increasingly adopting, and prioritizing, “**pull**” strategies.

PULL:

- Is a soft sell
- Uses content to start a conversation
- Is informed first by the prospect’s needs and habits (e.g., internet use & media consumption)
- Goes to where the prospect is searching and talking

EXAMPLES:

- RSS feeds
- Subscription newsletters
- Social media forums
- Optimized key word search

Use Pull Marketing

- When sales cycle is lengthy
- To build trust
- To build loyalty
- To improve lead quality

The image consists of two side-by-side screenshots. On the left, a Google search results page shows the query "dynamic infrastructure". The top result is titled "IBM Dynamic Infrastructure" with a snippet about dynamic infrastructure solutions. On the right, a screenshot of the Spiceworks community interface shows the "IBM" group page. It features the IBM logo, a brief description encouraging users to share tips and learn about new product offerings, and a "Join Group" button. Below this are sections for "Announcements" and "Topics". A blue box highlights the "RSS" icon in the bottom right corner of the Spiceworks screenshot, indicating a pull marketing strategy.

Applying Core Principles to the “Pull” Approach

COMPELLING:

Personalize – (the content) The act of **guiding the user's experience** by providing content that adapts based on the person's profile and stage in the marketing funnel (e.g. deeper in the funnel = deeper content). Personalized content provides something new, different, and possibly unexpected. It requires dedicated content creators and relies on continuous feedback with the prospect for success. This continuous process is a powerful way to **build a deeper relationship** with the prospect.

EASY:

Optimize Search and Online Ads: Ensure prospects are finding the information they're looking for by optimizing content with the right keywords.

Contextual targeting: Take advantage of new banner ad technology that produces more customized interaction and more qualified leads by serving up specific content based on user paths.

Syndicate content: Greatly increase the distribution of content through a syndication strategy that focuses on adding value. Leverage great content – white papers, articles, webinars, videos, widgets/apps – embedded in a newsletter, the offer in a nurture stream, etc. – to reach out to prospects.

TWO-WAY:

Build Credibility: Move away from hard-selling by leveraging client references and third-party experts to represent the voice of the prospect.

Cultivate Conversation through Customer Service/Help Centers: Campaigns can cultivate dialogue by integrating with an actively managed help center resource, whether in the form of a social media account, a landing page, a desktop widget or a mobile app. It should easily enable prospects to engage in conversation, find resources and have questions answered.

Choose the Right Approach

Integrate Push with Pull: A Comprehensive Approach

Most successful campaigns employ a mix of push and pull tactics.

Some considerations when integrating:

- Pull strategies are strong at a) tapping into existing conversations around a topic b) building a relationship and drawing prospects in c) deepening consideration d) influencing opinion
- Push strategies are successful at a) beginning the nurture stream b) building quick awareness c) reconnecting with past leads
- Evaluate what stage your campaign is in before determining the tactical approach to prioritize
- When creating content strategies, customization is ideal for each unique initiative while personalization is better suited to an ongoing effort throughout a campaign's lifecycle

Use Push + Pull:

- To create a 360° campaign around your prospects
- When you have the time and resources to execute both effectively
- When your prospects are in mixed stages of the marketing funnel
- To build short- and long-term impact

Push + Pull, Shared Best Practices

Regardless of the approach, these best practices will help to optimize your campaigns:

Measurement

Before beginning an untried initiative, it is recommended that you establish what metrics you will use to gauge success. For tactics that have been tried and tested, establish benchmarks to measure against moving forward to ensure proper execution.

Platform Agnostic

Whether employing push or pull, consider your platforms and pre-test to ensure clean, easy deliverability.

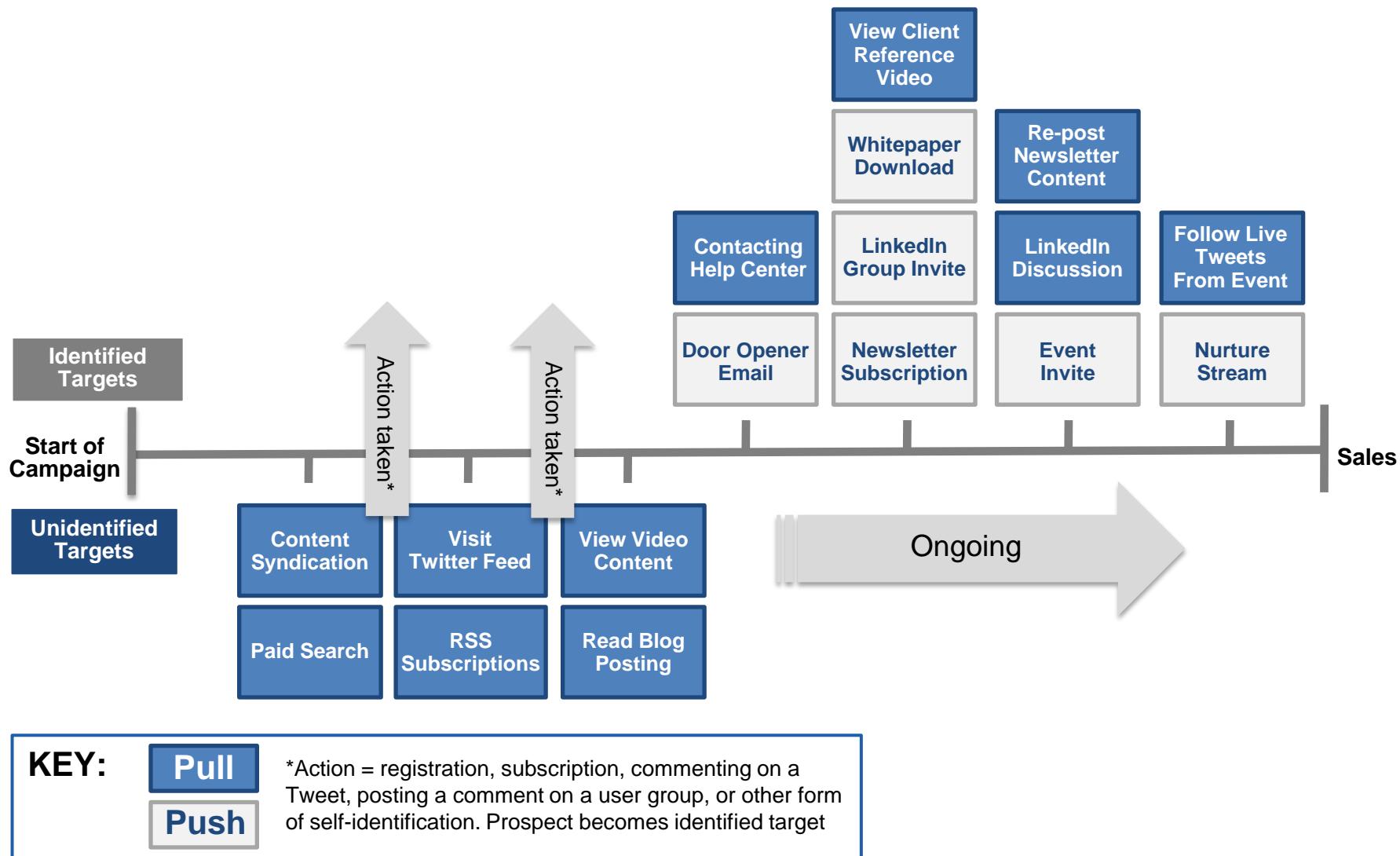
Resources

Ensure the right resources are in place to capture data, deliver content and measure results prior to implementation.

Surprise & Delight

Employing the unexpected helps to break through direct marketing clutter and can take many forms – whether it involves unexpected content (story-telling), an unexpected channel (social media, video, blog, widget), or an unexpected look & feel (e.g. an interactive puzzle instead of a postcard, a beautiful print piece that prospects want to display). Unexpected does not mean random – the element of surprise should enhance relevance and clarity.

Sample: Push & Pull Integration



Thoughtful Planning

Make It Compelling: Planning Questions to Ask

- What do we already know about our prospect from collected data?
- What marketing stage are we reaching the prospect in initially? What depth of content is appropriate for his current interest level?
- How does this communication approach the prospect in a way that would grab his attention? Can we bring this message to life in a way that will make it easier to understand?
- Is our value proposition a single-focused statement?
- Does the value proposition clearly state how the prospect will benefit or does it list solution features?
- Do we know what conversations our prospects are having? Have we taken those lessons and applied them in developing new content?
- Have we provided a way for the prospect to select an interest area or find the content most important to him?
- Is our content concise, easy to understand, light on jargon, and supported by concrete examples?

Make It Easy: Planning Questions to Ask

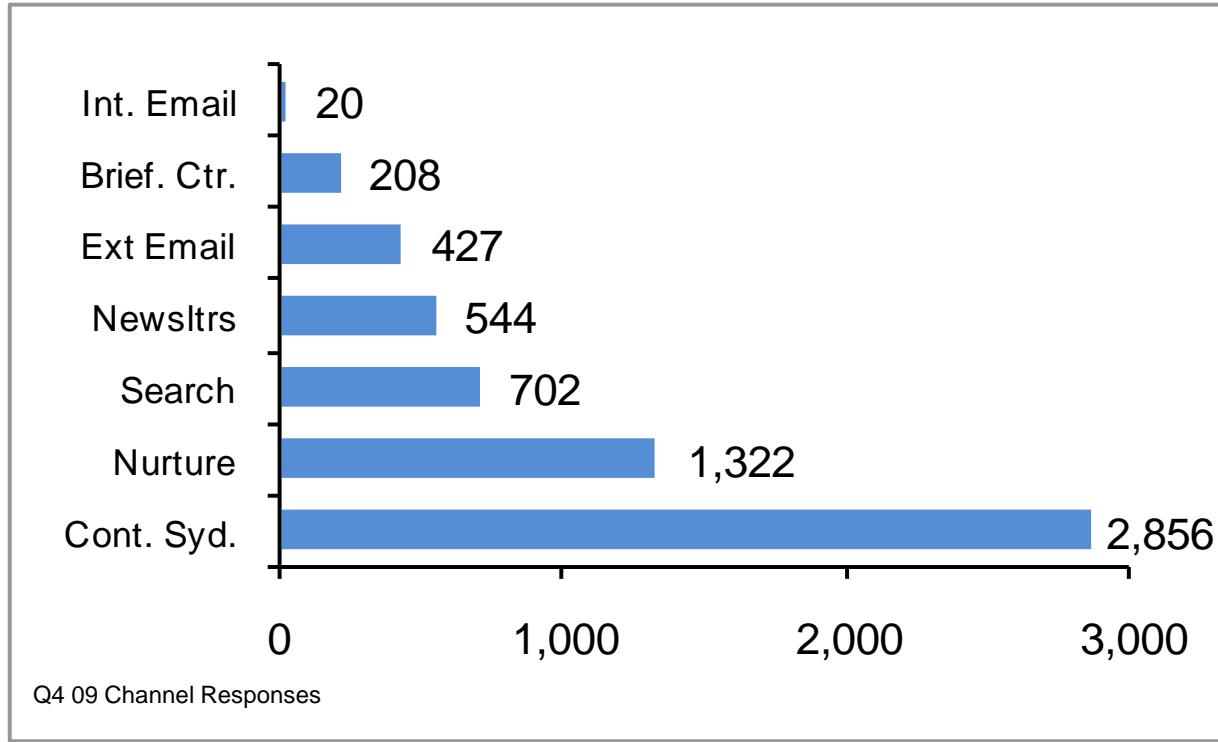
- Have we identified the key words our midmarket prospects are searching with when they have a need our solutions can resolve?
- What are the key blogs, publishing sites and forums our prospects go to when searching for resources?
- Does this door opener require multiple steps in order for our prospect to take action? Are we offering sufficient value in exchange for their action?
- What lessons from past campaigns and data results can we integrate into our current efforts?

Make It Two-Way: Planning Questions to Ask

- Are we speaking to the prospect's needs first and foremost in our messaging?
- Do we speak in the voice of the consumer by leveraging client stories and support from industry leaders?
- Does this door opener enable the prospect to directly provide feedback? Do we have a method in place to respond to their feedback?
- Does this door opener start a conversation and continue it? Or does it only deliver a message?

Case Studies

Case Study in Content Syndication: A Lesson from N. America



Content syndication drove the **largest number of responses**.

Lowest average CPR (cost per response) of all tactics.

Generated **\$1.17 million VLRC** in quarter.

White papers performed better in content syndication than demos or webcast in this campaign.

Case Study in Customization: A Lesson from China

Prospects can choose from four different case studies, focused on unique content areas.



Feedback form to collect data and interest area.

A deeper dive is provided in the second touch based on the selected preference.



Feedback form to understand customers' current situation

Door Opener offered four content areas to choose from (**customization**) and user was invited to provide feedback on areas of interest.

Follow-up touch provided content based on expressed areas of interest (**personalization**).

RESULTS:

Achieved exceptionally high engagement rates:

Open rate: 46.93%

CTR: 35.03%

Feedback forms collected:

767 (8.9%)

Case Study in Customization: A Lesson from France



CTR
45%
(3x standard banner)

CPC
57% lower than
standard banner

LinkStorm Banner Ad Increases CTR through Customization:

Enables users to **select the content most interesting** to them from the banner itself, **without multiple steps**. **Distributes far more content** than standard banner alone. **Reports data** on prospect's unique user path that can be used to **customize a nurture stream**.

Case Study in Personalization: A Lesson from India

▶ [Register for the conference today!](#)

Smarter business for a Smarter Planet:

Keep a control over your inventory.
Reduce downtime and increase productivity.

As a manufacturer you face a number of external challenges that affect your business such as growing competitors and changing technology. More importantly, you face challenges from within such as coordinating with an extensive network of dealers, suppliers and agents. It is hard to keep a tab of all the information flowing in deciding which information is useful.

LOB in Mfg

Now you can leverage existing info to become a power industry luminary.

Watch this space.

Insights 2010
Leveraging New Intelligence

Date: 2nd Feb

▶ [Register for the conference today!](#)

Smarter business for a Smarter Planet:

An efficient government department needs not just efficient people, but also efficient technology.

As a decision-maker in government department, inter-departmental delays prevent you from delivering your services on time. Furthermore, with increasing competition; quick response, better quality, seamless access and service, are expected as a given.

Government departments need to optimize their processes, data access and content management to be profitable and competitive. Find out how you can tackle these problems by attending **Insights 2010**, a conference on leveraging New Intelligence.

The event will show you how to leverage your existing information to gain new perspectives and drive effective and speedy decision making. Insights 2010 will be powered by industry luminaries and agenda.

Government

APPROACH:

Role-specific messaging was devised to increase relevance of the event to the various audiences.

▶ [Register for the conference today!](#)

Smarter business for a Smarter Planet:

Reliable figures make for an accurate annual budget.
And a clearer tomorrow.

CFOs

To find out more on how to make the right allocation of funds for your organization.

Watch this space.

Insights 2010
Leveraging New Intelligence

Date: 2nd Feb

▶ [Register for the conference today!](#)

Smarter business for a Smarter Planet:

Information vital to top management last week.
Redundant now.

LOB in BFSI

As a vertical head, providing critical information as it happens is vital for business and decision making. But manual, spreadsheet-based processes and technology limitations stand in the way of accuracy and timeliness. Find out how you can tackle this problem by attending **Insights 2010**, a conference on leveraging New Intelligence.

The event will help you know how to minimize manual effort and increase timeliness and accuracy of your reporting, while leveraging your current systems. Discover how collective business intelligence can help you deliver accurate information when needed. Insights 2010 will be power-packed with interactive sessions and insightful presentations by industry leaders.

RESULTS:

- Over 700 people across 550 organizations attended the event across the 3 cities
- **15 HOT leads posted at the venue**
- **Expected: VLR \$ 5M, WR 1.5M**
- **91% of the attendees are involved in the decision making process**

Case Study in Surprise and Delight: A Lesson from Scandinavia

Business Partner DG Campaign, Mid Market
The campaign sells Dynamic Infrastructure portfolio - Servers, Storage and Virtualization (STG)



The image shows a white rectangular box with a teal and black geometric pattern. The text "Taknik och teknik för arkitekturen" and "IBM Business Partner" are visible. Next to it is an open white box containing several small teal 3D puzzle pieces and some informational cards.

Ogilvy

Think to create a dynamic infrastructure

A “block-by-block” campaign proving the Fun Theory: Demonstrate your own ability to create structures, like a dynamic infrastructure, with a 3D-puzzle. Participants sent a MMS with a photo of their puzzle to enter a drawing to win a bicycle.

CTA with e-mail permission was detailed and complex due to legal requirements. We found that, because the activity was fun, IT Managers were willing to invest significant time and resources.

Results: 34% positive contacts for TM for Komplex it. 13% accepted a meeting. 21% requested the newsletter.

By investing in the initial contact (3D), we proved to the client that we could reduce the lead price, as this campaign outperformed a traditional DM send-out. Moreover, IT Managers still recalled the 3D-puzzle even 2½ months after the send out.



Danish Direct Marketing Gold Award winner 2010

Case Study in Surprise and Delight: A Lesson from Scandinavia

Campaign conveyed the benefits of the IBM security framework in a concrete, engaging way



Business Partner Campaign
The campaign sells the IBM Security framework, a portfolio of all of IBM's security offerings (SWG,GTS)

A very dangerous game

With a very unique approach for selling the IBM Security Framework (covering multiple brands and business units – a first) using playing cards. The format replicates a children's card game to clearly expose the various security threats and their corresponding threat levels.

The cards are an effective first contact "door opener" to be followed up by TM. They have also been used successfully by sales reps in presentations to potential clients.

The Business Partner just reported that the target revenue was achieved just one month into the campaign. (Normally the sales cycle is between 6-18 months)

RESULT:
Target revenue
achieved one month
into campaign, instead of
typical 6-18 month cycle.

Case Study in Surprise and Delight: A Lesson from Malaysia

2006 campaign used design to memorably reinforce the content: that small and medium business were of equal importance to IBM as LE.



Letter split into three parts, analogous to Small, Medium and Large business. All three could be read as one continuous letter. Each part could also be read as a standalone letter, showing that every business, regardless of size, is important to IBM.

RESULT:

- **150% response** against expectations
- **60%** of the 421 companies represented were **Small or Midsized**

Case Study in ‘Easy’ Door Openers

Make print content interactive in one step, enabling content distribution, self-selection and connecting interested prospects to a nurture stream.



Because it's everybody's business (BIEB)

Most successful advertisements today involve a high degree of user interaction. In 2009, Microsoft launched a new wave of advertising aimed at businesses, naming the campaign "Because it's everybody's business." The idea was to push technology as a pivotal factor in the success of businesses. Under this umbrella campaign which covered 6 different Microsoft products, the company used a mix of television, online, animation, and print visuals.

Interactivity was at the core of this highly digital strategy. The print ads used Microsoft Tag technology to demonstrate to users to learn how enterprise software empowers successful businesses. With a single scan, users were instantly connected to new worlds of information through visuals, animation and audio interviews with executives in leading companies. The ads used both Tag and a traditional SMS approach to receiving more information. Over the first 3 months, *the response rate for Tag was 100 times higher than for SMS* – proving the massive draw of instant, interactive information.



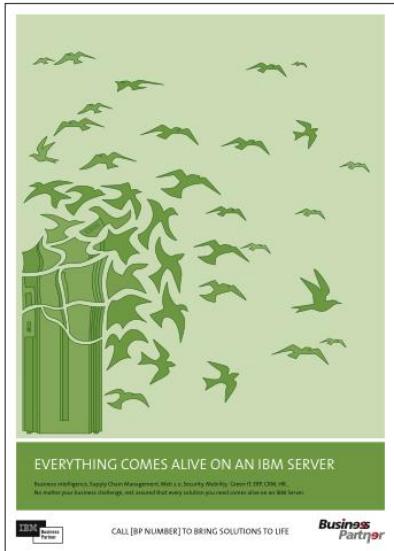
Scan the Tag
[GET TAG READER](#)

How it works: Scanning the tag with their cell phones, prospects receive further content to their mobile device, including video, audio interviews, visuals, and animations exploring how software can impact business. Content can then be linked to further offers and business partner search tools.

*Users chose to receive information via the tag 100 times more often than via SMS

Case Study in Surprise and Delight: A Lesson from Scandinavia

Demand Generation, Express Seller
We sell IBM Servers and Storage (STG)



Ogilvy

Campaign simply but memorably communicated platform compatibility through striking visuals that also conveyed a green theme in line with the Smarter Planet agenda.

Everything comes alive on an IBM server

A lively IBM Business Partner campaign communicating the flexibility of IBM servers. Primary message communicated that anything you connect to an IBM server will come to life and improve your business due to the wide compatibility of the platform. We portrayed green IT by using symbols from nature.

Case Study in Feedback & Authenticity: A Midmarket Newsletter

The screenshot shows a newsletter layout. At the top, it says "MAY 2010 BUSINESS INSIGHTS". Below that is a photo of three people working together at a desk. The main headline reads "Fast-Track Your Business with the Right Productivity Software". A sub-headline below it says "Cut expenses and grow your business: Who says you can't do both? See how Microsoft Office 2010 can help you do more with less—saving time and money—and can extend your marketing reach as well." A link "Read the full article online" is provided. Another link "Case Study: Gafcon Reduces IT Expenses by \$50,000 Annually with Microsoft Office 2010" is also present. On the right side, there's a sidebar titled "IN THIS ISSUE" with links to "Join the Office Virtual Launch", "What's New in Office 2010", "Maximize Productivity with Office 2010", and "Office Interactive Guides". A "Welcome" section discusses "Upcoming Support Life-Cycle Transition Dates for Windows Client and Windows Server". A "Microsoft Business Resource Center" section includes a bio for Microsoft SMB, statistics (2,198 following, 2,205 followers, 97 listed), and sections for "Tweets" and "Favorites". A large downward-pointing arrow is overlaid on the right side of the newsletter.

Includes:

- Business Resources
- Offers
- Case studies
- Links to Live Events/Digital Events/Webinars
- Expert Q&A
- Tips & Tricks
- Embedded links to Facebook and Twitter accounts, which are updated continuously with relevant content

Contacts and Resources for Targeting & List Buying

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Thank You.