

Analyze This: Analyst Relations Key to Successful Tech Marketing

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CHICAGO – Working with the industry analyst community is crucial for successfully marketing technology. Technology providers must understand how analysts work in order to influence them. Dave Wolkowitz of [MarketSting](#) sheds some light on the intricacies of successful analyst relations.

Read technology-focused articles in *The Wall Street Journal*, *ePrarie* or your favorite daily paper and names like Gartner, IDC and Forrester are sure to pop up. The context is often a quote from an industry expert either endorsing or lampooning a product, technology or business strategy. Sometimes, it's even a survey or study cited as possessing genuine news value.

Regardless of the context, the influence of analysts is clear. But who are these influential wonks from places like San Jose, Framingham and Cambridge? How do they operate like the news media, and how are they critically different?

Role Playing: Understanding analysts' roles in the adoption and support of technologies can mean the difference between a marketing program's solid start and its struggle to make a good impression.

Risk Reducers: The most important role of the analyst community is as a risk reducer for companies considering information technology investments. For most corporations, a major IT misstep can spell disaster.

Analysts' insights into market direction and technology trends keep companies clear of technology's dreaded bleeding edge and their executives relieved – at least temporarily – from the CIO bone yard.

Professional Experts: Analysts have symbiotic relationships with reporters in their roles as expert sources. Business writers are constantly challenged to keep current with the technology they cover.

Even reporters at technology-focused trade publications may have multiple, thinly related beats that might keep them from gaining deep knowledge of any particular segment. By providing expertise as quoted sources, analysts help the media while marketing themselves and their firms.

Star Makers: Analysts advise companies looking to move beyond established, safe choices in their technology investments and toward choices that will create real competitive advantages. They separate leading-edge solutions that are risks worth taking from nightmares waiting to happen. That helps little-known but commercially viable technologies to gain a foothold.

A Breed Apart: The analyst community has certain traits in common with the news media. However, they differ in key areas that create unique challenges for those trying to make an impact.

Narrow Beats: Analysts' beats are often much more narrow in scope than those of the media. In fact, in cases where individual companies become nearly synonymous with their respective industries, those companies may become beats in themselves.

Examples include analysts following companies like Intel or SAP as a primary focus. It's important to remember that analysts' finely tuned areas of expertise require precise targeting at the beginning of an analyst relations program.

Longer Lead Time: Analysts have longer-term outlooks than do business reporters because of their respective audiences. Reporters target people buying or selling stock and people trying to sell products or services (activities with a payoff that's often only a few months away).

In contrast, analysts' clients need information about market and technology developments that may not warrant news coverage for several years. Why? Companies must be on the lookout for their market's major paradigm shifts in order to properly prepare their businesses for a dynamic marketplace, lest they be caught off guard and suffer a major competitive disadvantage.

Industry Experience: Analysts often come from the professional ranks of the sectors they review. This contrasts with business reporters whose backgrounds tend to be journalistic.

For example, a computer chip analyst from a major firm has previously run several fabrication facilities in that industry. Such examples aren't rare. At another firm, a senior B2B analyst has previously set up a major maintenance, repair and operations (MRO) marketplace for a Fortune 500 company. With that sort of experience, it's clear that the grounding of analysts in their respective fields of expertise has important implications on the choice of communications tactics to reach them.

The press releases and fact sheets that might suffice for reporters are only appetizers for analysts. Tech companies should expect extensive briefings by phone, Web and in person. If the CEO can't answer the dirty drill-down questions about how the company's technology works, there better be someone at the talk who can.

Ink For Sale: While the news media is expected to maintain an unyielding barrier between editorial and advertising departments, the same division does not always exist between analysts and their firms' salespeople. In fact, that division has become increasingly rare as firms seek to replace revenue lost during the tech recession.

In the past, analysts would often conduct phone briefings with non-client companies solely for the sake of keeping current. That enabled companies that did not hire the analysts to direct the media to analysts for supportive comments – a valuable boost to media relations efforts since reporters are always hunting for “unbiased” experts.

But times change. These days, expect to be pitched for business and be prepared to at least feign interest in hiring the analyst firm (hopefully you'll secure an analyst briefing). That being said, it still makes sense to seek out analyst firms that show interest that isn't contingent on setting up appointments with their business development people.

Keep these principles in mind when building an analyst relations program geared toward beating the market's cynicism and avoiding digital Darwinism. Through consistent effort and thoughtful communication, you'll reap the benefits as reporters and potential clients act upon the complimentary musings from the analyst community.

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