

BtoB

2011 International BMA Conference

SPECIAL COVERAGE

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B-to-b marketers share innovation strategies

BY KATE MADDOX

A panel of prominent b-to-b marketers on Thursday talked about how they have unleashed innovation strategies at their companies to develop new products and services to meet customer needs in a world changed by the Internet.

“‘Innovation’ has gone through dramatic changes in the last decade,” said Steve Liguori, executive director-global marketing at General Electric Co., and moderator of the “Unleash Your Innovation” session at the 2011 International Business Marketing Association Conference in Chicago. The panel featured marketers from Deutsche Telekom,

IBM Corp. and National Starch Food Innovation/Corn Products International.

“At GE, we led the league in R&D-based innovation going back 100 years,” Liguori said. “We invented stuff in the laboratory, and for years and years, that was how you did it and that was how you got rewarded.”

Then the Internet came along and provided ways for people around the globe to connect, which changed business models for innovation, he said.

“If you can’t keep up with innovation and new business models, clearly you will become a dinosaur and will become extinct.”

GE provides open forums for



The ‘Unleash Your Innovation panel’ included (from l.) Jay Paap, Tony DeLio, Jennifer Okimoto, Andres Jordan and moderator Steve Liguori.

its customers, employees and business partners to contribute innovative ideas. Recently, it launched an Open Innovation Challenge on the Internet, asking

people to contribute ideas for modernizing the power grid.

“We thought we’d get a couple hundred ideas—and we got

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the big question

“How are you using content marketing in your strategy this year?”



“[Content marketing] is not a term we use, but does content have a role in our marketing? Absolutely. I use the

word ‘CUTT.’ For us to use content, it has to be: 1) compelling, 2) useful, 3) timely and 4) transactional, which is important. I want it to be all four. It has to be compelling, get people’s attention. It has to be useful for our clients. People have a lot of information coming at them. It has to be timely, so they will look at it right now. And it has to be transactional; it has to be directly related to something you can buy. Content is at the center of all we’re doing.”

—Phil Clement, CMO, Aon Corp.



“One of the things we look at when we look at content is what are the channels to distribute it. But also we look at the type of customer—if it’s a prospect or existing customer and the nurturing path we want to take with them, and then what content we want to hit them with and in what time frame within that path. So one of the things my team looks at is content: How do we create it and repurpose it across our channels, and when should that content be delivered to the end user?”

—Eduardo Conrado, CMO, Motorola Solutions

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Slack reflects on tenure, looks to future of BMA

BY SEAN CALLAHAN

As chairman of the Business Marketing Association for the last two years, Gary Slack oversaw a resurgence in attendance at the organization’s annual conference. The chief experience officer of Slack & Co., a Chicago-based marketing communications agency, has turned over the chairmanship of the association to Al Maag, chief communications officer of Avnet Inc., but will stay on to run next year’s conference. *BtoB* spoke with him about his tenure as BMA chairman and his thoughts on the organization’s future.

BtoB: What was your approach to changing the BMA Annual Conference?

Gary Slack: In 2008, the BMA Annual Conference (in Las Vegas) had about 150 attendees. It was a good conference, but we just didn’t have the kind of turnout that we’d enjoyed in recent years. In 2009, which is when I became chairman and organized that conference, we had 350 people, which was a nice bump. I think a big



Q&A

GARY SLACK

Chief experience officer, Slack & Co., and past chairman, BMA

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Slack

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part of it was that we brought it to Chicago, where there's a large corporate base and where there's a very strong BMA chapter. Those were key factors, along with the theme and the speakers.

BtoB: *There seem to be more executives from the marketing side involved in the conference. Was that a goal of yours?*

Slack: In past years, we just didn't see a strong enough presence of corporate marketers, especially at the senior level. In 2009, that started to change dramatically. At the "Unlearn" conference, 55% of the attendees were corporate marketers. And last year it was around 50% to 55%, and this year it's tracking the same.

I think the big factor there has just been—unlike so many conferences you go to these days where the programs are vendor-centric, vendor-driven—we have a strong policy of primarily having only senior corporate mar-

keters, senior directors, VPs, CMOs as speakers, moderators and panelists. If you get those kinds of speakers, then you get lots and lots of corporate marketers (in attendance), and then everyone else in the food chain shows up. It's pretty obvious but it's worked, and this year we expect to see a new kind of percentage. If you look at our program, it's probably 90% corporate marketers in terms of presenters and panelists.

BtoB: *Talk about the "Unleash" theme for this year's conference?*

Slack: I did a survey back in January of 50 top corporate marketers, and I asked them what holds you back in your job, in your company, in your career, in your profession? I did it online, and I expected I'd get responses over the next couple of days.

I was literally inundated within the first two hours with responses by dozens and dozens of people. We just saw an outpouring both on the corporate-marketer and agency-side people—because I surveyed top agency leaders as well—of many, many issues they encounter in their efforts to do their day-to-day jobs.

They want to be as effective, and productive and as creative as they have the ability to be; and it just struck us that we hit a nerve and the whole idea of "unleash" and the ways to get around the barriers that hold you back from doing your best work. So every session, including breakouts, we tried to focus on this word "unleash" and on finding topics, specifically speakers, and moderators and panelists who can lay some claim to having gotten around some of those impediments in some of the work they do for their companies.

BtoB: *You have signed on to organize next year's conference as well. Do you anticipate it will be held in Chicago?*

Slack: It's not been decided. I would be surprised if it went elsewhere because we've had so much success here. Some of it depends on the extent to which other chapters would like the conference to come to their cities. At this point, I think everybody is hard-pressed to think of another market where the conference could be as successful. And, frankly, it's centrally located. □

the big question Continued from page 1

"How are you using content marketing in your strategy this year?"



"We work in a very complex industry—the mobile industry—and we sit in the middle of the mobile ecosystem. It's important for us to develop our own content and push it out to our customers and the industry to educate them about new, leading-edge technology. We work a lot with research companies and with other marketing partners to develop valuable content that we can then share with the industry."

—**Janet Roberts**, CMO, Syniverse Technologies



"We are really leveraging content a lot right now in our marketing strategy. Most of our execution is via the online space. We just introduced an e-zine targeted directly to architects. We are making heavy use of content, both written but also pictures, for the architectural design community. We also are engaging in a lot of email blasts, blogs and in the social media space, with Facebook pages supporting product launches and Twitter tweets talking about news and trends in the industry."

—**Linda McGovern**, director of marketing, USG Corp.



"Auditing our content is a big project we have going right now. We're working to understand what content we have and how current it is. We're finding the era of linear content is coming to a close. We're trying to make our content user- and behavior-driven with Web tools and marketing automation tools. If a user takes one path, they will get different content than if they take another path—and [the user is] better served as a result."

—**Randall Rozin**, global director-brand management and marketing communications, Dow Corning



"We have so much content. We have 37 divisions and two big operating groups, and everyone is doing some great work. We have to take what we have and repurpose it. So do a better job with content: How are we going to publish things; how are we using social media? So it's taking what we've done or what we're going to do well and making sure it goes in 50 things we're doing around the world. So someone may get a great article about product X or solution X in Illinois, and they should be taking that and putting it in Germany or Asia. We have to figure out how to do that better."

—**Al Maag**, VP-chief communications officer, Avnet Inc., and BMA chairman



"With content marketing, the main thing for us has been white papers. Getting white papers created for the websites of our portfolio companies is a priority. We have one company that is a b-to-b software company. Ninety-five percent of leads [for that company] come through the Internet. Twenty percent of those leads have downloaded a white paper."

—**Tom Kennedy**, marketing director, Republic Financial Corp.



"We've recently relaunched our website to focus on professionals, mostly CMOs and marketing executives. In the past, the focus has been on the fan, on stats and driver information. But now it's more focused on marketing, with cases studies and success stories from our corporate partners. We're fond of saying, 'that which is treasured is measured.'

We're sharing more of the measurement from our sponsors, and we're putting that on the website."

—**Robin Johnson**, exec VP-business development, Roush Fenway Racing

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Social media delivers returns on investment

BY SEAN CALLAHAN

Paul Dunay, CMO of Networked Insights, opened the BMA conference panel he led with the statement, "I'm sick of this lie that there's no ROI in social media." He and his fellow participants in the "Unleash Your Investment in Social Media" session then proceeded to show where they had found significant returns on investment in their social media initiatives.

Dunay shared a few social media efforts he employed when he was the global managing director of services and social marketing at Avaya. He told the story of how he used a variety of Boolean searches, such as "replace Avaya," on Twitter and other social media to find aggravated customers looking for alternatives or prospects considering Avaya and looking for input from peers.

He forwarded some information to one such prospect. Within two weeks it resulted in a \$250,000 sale. "That added up to about \$4,000 a character," Dunay said. "I said that in every meeting."

Panelist Lauren McCadney, small-business segment manager at CDW, said she has used Zuberance, a company that helped her identify brand advocates on social media. She said CDW has been particularly successful finding fans on Spiceworks, an online community for the information technology sector.

McCadney has approached these brand advocates to write reviews of her company's service, which are then posted on the CDW website. The third-party reviews have been successful, and she has more social media efforts planned. "Social media is a



Lauren McCadney explains how CDW has leveraged social media to identify and energize brand advocates.

verb, it's not a noun," she said.

Another panelist, Belinda Hudmon, senior director-integrated marketing at Motorola Solutions, said her company used social media as an integral

part of its relaunch earlier this year. "We find it works best as an integrated part of a broader campaign," she said. "It extended the campaign and got better results." □

Innovation

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4,800 ideas in six weeks," Liguori said. "We can't be innovative if we're not willing to take some chances; and, with ideas we think are worth a shot, we are going to protect those ideas."

For example, he said, GE is exploring opportunities in the electric vehicle space, and it has to think outside the box when it comes to developing business models for that emerging business.

"We are looking at building electric charging stations, but the business models to run them are wildly different," he said, noting that customers may not want to buy electric charging stations, so GE could end up getting into the business of leasing and managing electric charging stations for businesses.

Jennifer Okimoto, associate partner-social business leader at IBM Global Business Services, said IBM—which turns 100 this year—is also developing new strategies for innovation.

"As the Web 2.0 world began impacting society and the workforce, and going much more global, it became imperative for us to put innovation front and center," she said. "We had

some very senior leaders who said, 'We can't survive the next wave until we change and become agile and responsive enough.'"

She pointed to IBM's Smarter Planet business platform as an example of how IBM is working with customers, governments and thought leaders to create innovative products and services to improve the planet, such as providing more efficient transportation and energy systems in cities.

Andres Jordan, VP-innovation and head of content and new media strategies at Deutsche Telekom North, said that with customers such as Google, LinkedIn and Yahoo, "a lot of innovations are riding on our networks."

"I believe the telecom industry has failed in not being able to anticipate the impact of our networks on the world," Jordan said. As a result, Deutsche Telekom—which historically has been an engineering company—started an innovation practice in which it creates teams from marketing, sales, engineering and sales support.

"These 'Tiger teams' work very well, and people can come in with their passions," Jordan said.

Tony DeLio, global VP-marketing and innovation at National Starch Food Innovation/Corn Products International, said: "We have made innovation an objective of all business managers.

BMA launches online speakers bureau service

The BMA this week announced the debut of an online speakers bureau on its website, www.marketing.org.

The service is designed to be a resource for BMA chapters and members looking for qualified speakers for events.

"Folks who are thought leaders are encouraged to sign up so our chapters are aware of potential speakers during the year," said Al Maag, BMA chairman.

The service is free for BMA members and has a fee of \$250 for non-BMA members who want to be listed. The database is searchable by industry, speaking topics, region and other variables. —K.M.

We have an 'innovation promise,' in which we provide visibility and accountability around all product introductions. We have competitions, and we measure quarterly."

New-product sales based on this innovation platform are growing at a rate three times that of average business, DeLio said. "You need to make some strategic bets, create a culture of innovation and make it very public," he said. □

Panel ponders work-life balance impact

BY SEAN CALLAHAN

Rick Segal, worldwide president and chief practice officer of marketing agency gyro, said he recently became fully aware of the changing dynamics of work-life balance when a young employee of his company demonstrated exactly what had precipitated the shift when she threw her smartphone on a table to make her point.

"She said, 'It's attached to me. There's no way I can get away from it. Work follows me wherever I go,'" Segal said as he moderated a panel at the BMA conference called "Unleash Your Sense of the Workplace: Breaking Through the Work and Home Life Blur."

One of the panelists, Maggie Jackson, who writes the *Boston Globe's* "Balancing Acts" column, agreed that work and home for many people have become inseparable. "The industrial age with its separation of work and home is really a short-lived, 80-year period," she said.

Another panelist, Dalton Conley, senior vice provost and dean for social sciences at New York University, said of the blurring between work life and home life, "I don't think this is entirely just about technology." He pointed out that some European countries haven't embraced bringing work home like Americans, who embody "the Protestant work ethic and the spirit of capitalism."

Conley speculated that the constant toggling from emails to home life and back to



Members of the "Unleash Your Sense of the Workplace: Breaking Through the Work and Home Life Blur" included (l. to r.) Eduardo Conrado, Motorola Solutions; Johnna Torsonne, Pitney Bowes; Dalton Conley, New York University; Maggie Jackson, 'Boston Globe' columnist; and moderator Rick Segal, gyro.

work life may have a long-term effect on b-to-b marketing (but less on consumer marketing) because of prospects' reduced attention spans.

A third panelist, Eduardo Conrado, senior VP-CMO of Motorola Solutions, said his company has adjusted to the short-attention-span world. In his own life he said he often jotted down work ideas or answered emails at home. He described it as a work "snack."

Conrado said Motorola has adjusted its marketing strategy to account for the shift by offering customers and prospects many different forms of content—both short and long form. Nurturing a lead, he said, is a long-term

process that combines many styles of messages and content.

Segal said gyro has been adjusting its approach to helping clients with their marketing messages by focusing on the idea of reaching prospects when they are in an "at-work state of mind"—something which could occur almost anywhere today.

The fourth panelist, Johnna Torsonne, exec VP-chief human resources officer at Pitney Bowes, said she sees many positives in the commingling of work and personal lives. "If knowledge workers can control [when they work], it can be a positive," she said. "I don't see it all in a negative light." □

Discovering what agencies want from their clients

BY JOHN OBRECHT

Marketing agency executives Thursday engaged in a wide-ranging discussion of what they'd like to see from their clients.

The panelists for the "Unleashing Your Agency" session at the BMA annual conference were: Tom Browning, senior VP-group business director at DDB Chicago; John Favalo, managing partner-director of business-to-business at Eric Mower & Associates; Howard Sherman, president of Doremus & Co.; and Tom Stein, president-chief creative officer of Stein+Partners Brand Activation. Kathy But-ton Bell, VP-CMO of Emerson, moderated the session.

Favalo said what he wants are "clients with big ears, clients that are ready to listen

[to big ideas]."

"Give us something important to do," Sherman said, echoing Wednesday's conference theme of purpose-inspired marketing.

"Our creative people are incredibly motivated by the opportunity to solve business problems," Stein said.

Asked how agencies can "train" their clients, Favalo said, "Maybe it's not so much training as keep talking." When communication breaks down, he said, "bills get really, really high and relationships sour."

What's crucial, Favalo said, is to focus on outcomes rather than outputs and "make sure that the endgame always comes first."

The executives also discussed the future

of results-based agency compensation.

Browning said he looks forward to the day that the practice becomes commonplace, acknowledging, "It's going to take time to prove to CFOs that it's worth the gamble."

"It can be a great thing," Stein said, noting that 20% of his agency's clients have opted for results-based compensation programs.

The executives were generally upbeat about the outlook for their businesses.

"What we're seeing is the budgets are getting smaller, but the opportunities are getting bigger," Sherman said.

"We're seeing pretty robust outlooks from many of our clients right now," Stein said, particularly in the areas of product launches and thought-leadership initiatives.

Browning said that after a rough three years, "We're actually growing with clients again." □



John Favalo of Eric Mower & Associates wants clients who are ready to listen to big ideas.

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