NIHITO Principles in Action

Strategies for Conducting Systematic Buyer and User Interviews
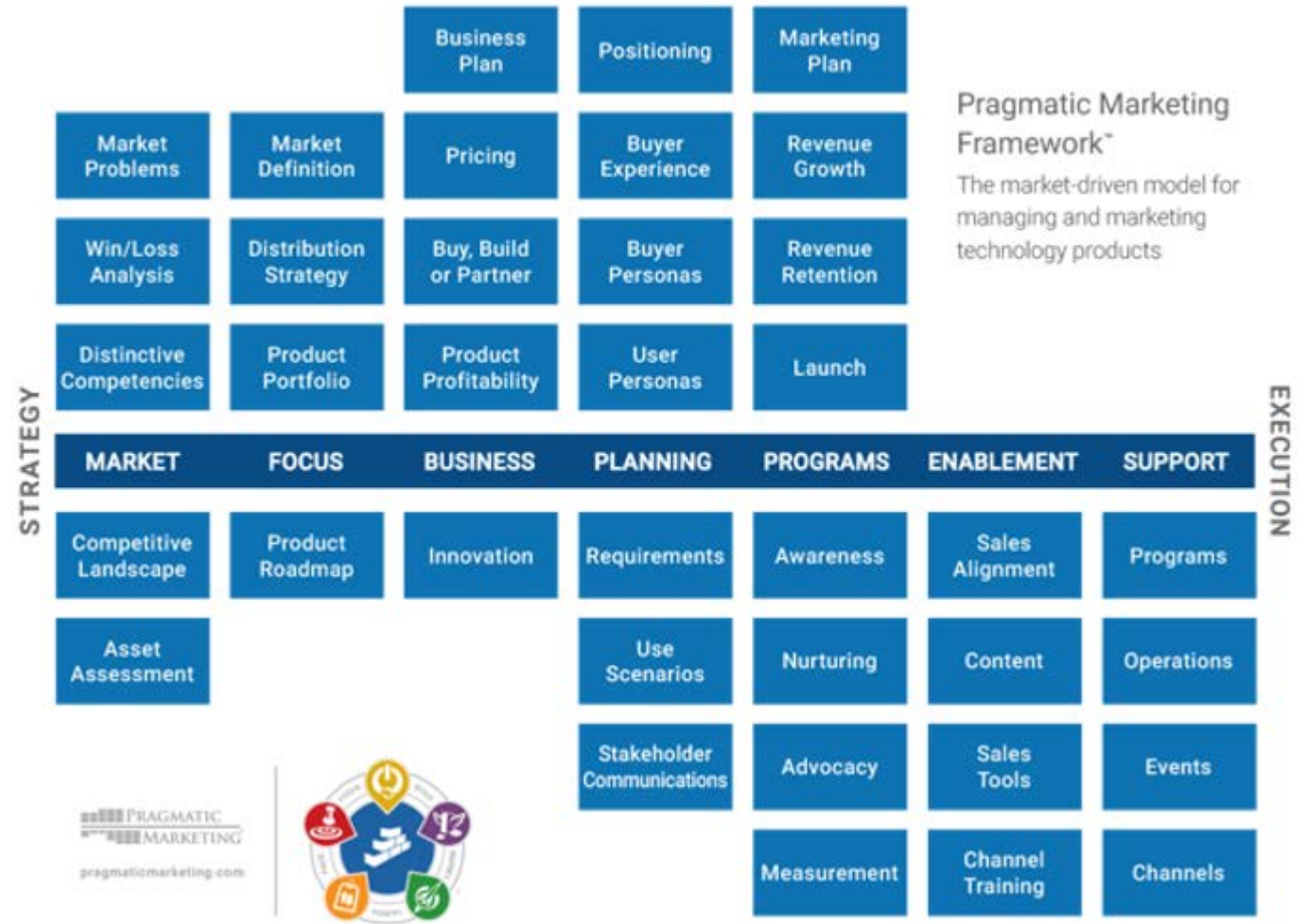
Pragmatic Marketing

Scott Olson
Founding Partner,
Compete2Win

about us

Pragmatic Marketing Framework™
The market-driven model for managing and marketing technology products

Experts in technology product management and product marketing

Specialize in training

Trained hundreds of thousands of people at thousands of companies since 1993

presenter

Scott Olson

Scott Olson is a professional in marketing and product strategy with 25+ years of experience leading technology companies. Scott is a founding partner in Compete2Win, a competitive market research and win/loss analysis services company.

Prior to Compete2Win, Scott led marketing and product teams at multiple technology businesses. Scott founded one of the first commercially viable IDS companies, WheelGroup, purchased by Cisco Systems in 1998. More recently Scott led marketing and product strategy at iovation, a leader in fraud management and authentication solutions. Scott has worked with the Pragmatic Marketing Framework for over 18 years.

C2W
compete2.win

Compete2Win

Compete2Win specializes in executing win/loss analysis and market research tied to your most important strategic sales, marketing and product priorities.

Compete2Win has executed outreach to thousands of buyers and users to set meetings for our clients.

Agenda

- The NIHITO principle
- Choosing the appropriate audience
- Best practices for meeting requests
- When to use incentives
- Meeting setting tricks, tools and processes
- Getting sales and marketing buy-in

The NIHITO Principle

NIHITO ®

Get out of your office!

You won't learn anything about problems in
the market while sitting at your desk.

Why Talk About Setting Meetings?

Barriers to Success in Implementing Pragmatic Marketing Framework

- Top 3 answers (out of 9)
  - Don't have buy-in from executives and organization
  - Disagreement or misunderstanding about roles and ownership of the framework activities
  - Setting meetings with buyers/users is time consuming and difficult

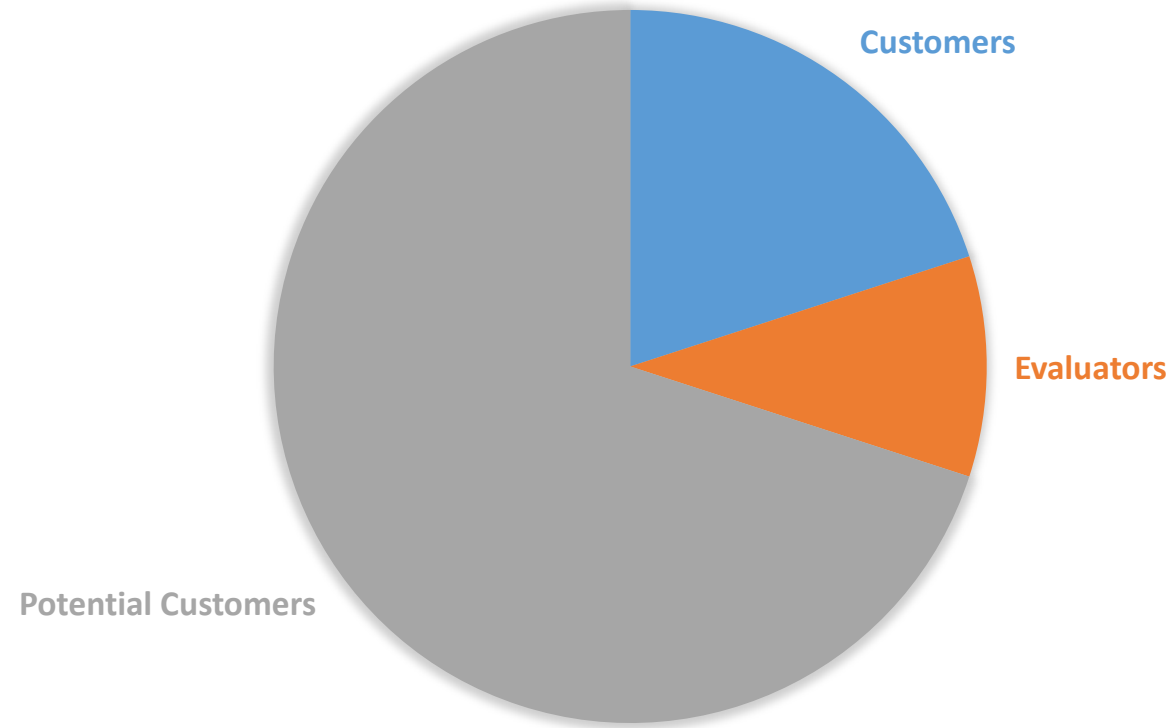- If you don't get meetings, NIHITO principle is limited in its impact

Choosing Your Audience

Interview Candidates

INTERVIEW CANDIDATES

- Customers
- Evaluators
- Potential Customers

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Marketplace Visits Goals

- Win/loss analysis
  - Sales execution analysis
  - Competitive research
  - Pricing and deal structure insights
  - Decision criteria
- Buyer research
- Competitive research
- User research
- Client retention
  - Customer advisory board intelligence

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Common Mistakes We See

- Win/loss—simply interview the sales rep

- Heavy skewing of interviews toward wins, not losses

- Lack of systematic process to set meetings and conduct interviews after deals close

- Meeting-setting logistics in the hands of the busiest team members, e.g. product managers and product marketers

- Outreach for interviews with losses after 3 months

Loss Analysis is Critical
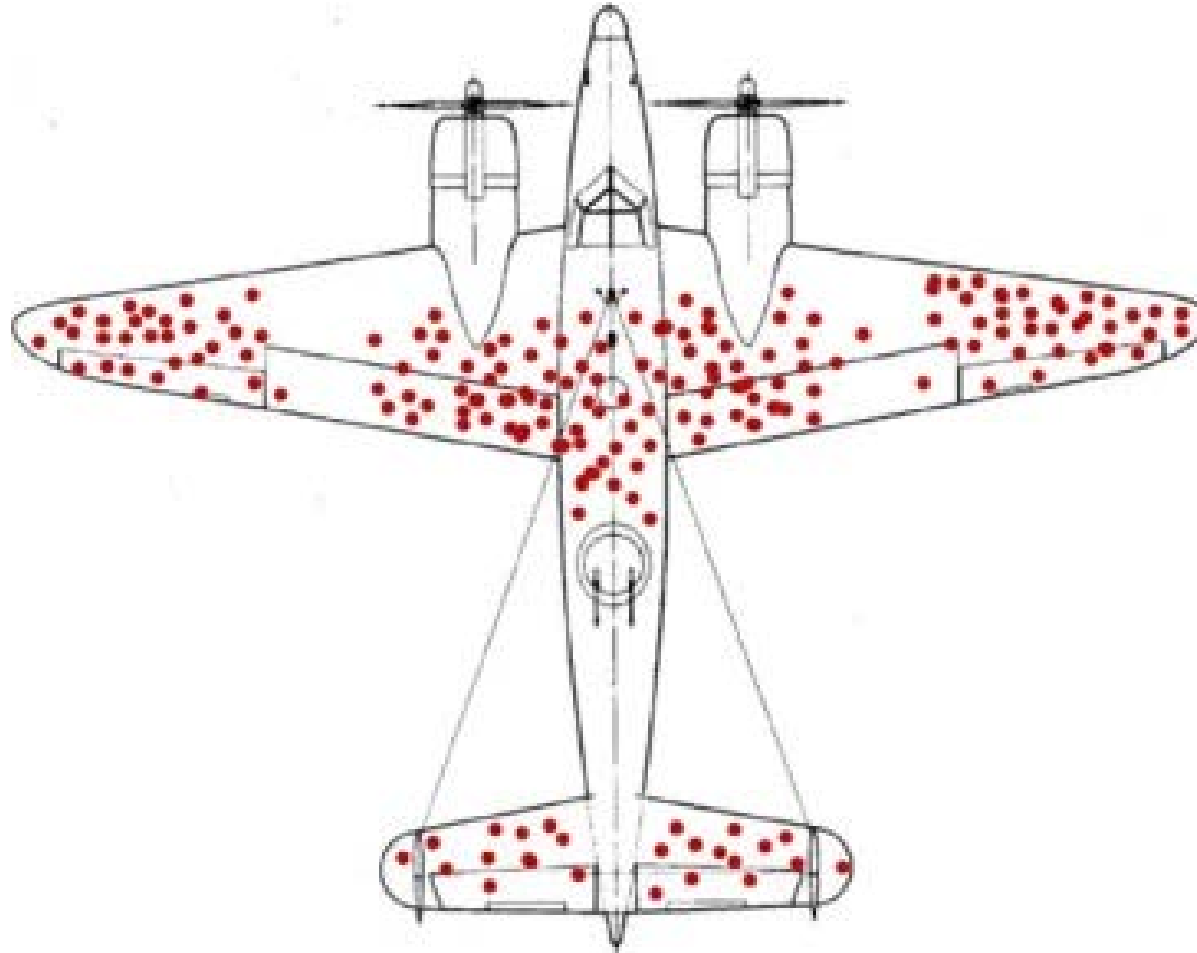
Loss Analysis is Critical

Abraham Wald – Analysis of WWII Planes Shot down

Problem: Where to reinforce armor on planes to strengthen them against attack?

Initial Data: Army supplied data from returning planes. Bullet holes were primarily around tail gunner and wings.
Proposed Solution: Reinforce those areas with additional armor.

Loss Analysis is Critical

Abraham Wald – Analysis of WWII Planes Shot down

Problem: Where to reinforce armor on planes to strengthen them against attack?

Analysis from Wald: Analyzing surviving planes (wins) showed where they survived, not what happened when they crashed (losses).
Final Recommendation: Reinforce planes around engine and cockpit where returning planes didn't show concentration of bullet holes.
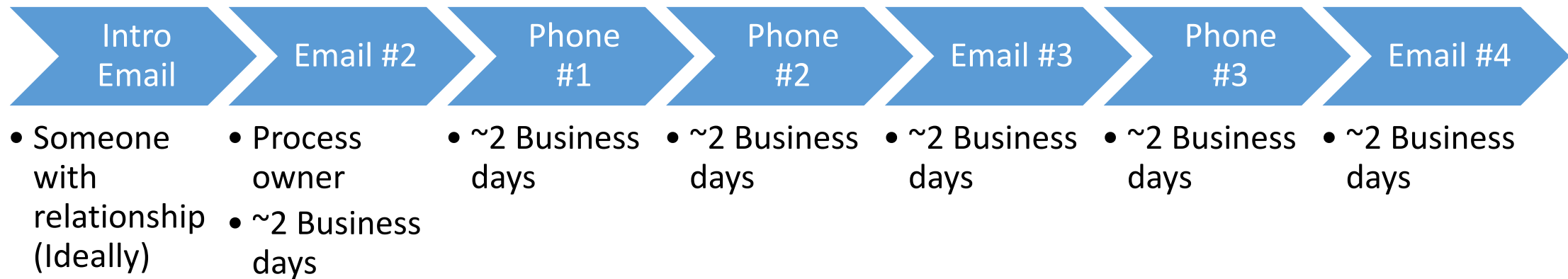
Best Practice for Meeting Requests

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A Look At Meeting Setting By Target

	Meeting Length	Incentives?
Win < 3 months	60 min	No
Happy Customers	60 min	No
Unhappy Customers	60 min	Yes
Loss < 3 months	60-30 min	Yes
Trade Show Visitors (< 3 mo)	30 min	Yes
Cold Contacts	30 min	Yes

A look at the results of meeting setting over the past year based on Compete2Win reaching out to thousands of contacts

Meeting Setting Process For C2W

Intro Email	Email #2	Phone #1	Phone #2	Email #3	Phone #3	Email #4

- Someone with relationship (Ideally)
- Process owner
- ~2 Business days
- ~2 Business days
- ~2 Business days
- ~2 Business days
- ~2 Business days
- ~2 Business days

Meeting Success Rates

	Meeting Length	Incentives?	Meeting Success Rate
Win < 3 months	60 min	No	75%
Happy Customers	60 min	No	45%
Unhappy Customers	60 min	Yes	35%
Loss < 3 months	60-30 min	Yes	29%
Trade Show Visitors (< 3 mo)	30 min	Yes	11%
Cold Contacts	30 min	Yes	3%

Average Outreach Across All Contacts

	Meeting Length	Incentives?	Meeting Rate	Average # Outreach Per Total Contacts (7 max)
Win < 3 months	60 min	No	75%	4.5
Happy Customers	60 min	No	45%	4.75
Unhappy Customers	60 min	Yes	35%	5.16
Loss < 3 months	60-30 min	Yes	29%	6.5
Trade Show Visitors (< 3 mo)	30 min	Yes	11%	5.2
Cold Contacts	30 min	Yes	3%	6.8

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Avg Outreach for Successful Meetings

	Meeting Length	Incentives?	Meeting Rate	Average # Outreach Per Total Contacts (7 max)	Average # Outreach Successes
Win < 3 months	60 min	No	75%	4.5	3.25
Happy Customers	60 min	No	45%	4.75	3.78
Unhappy Customers	60 min	Yes	35%	5.16	3.14
Loss < 3 months	60-30 min	Yes	29%	6.5	4.38
Trade Show Visitors (< 3 mo)	30 min	Yes	11%	5.2	2.73
Cold Contacts	30 min	Yes	3%	6.8	5.45

% of Successful Meetings Set on First Outreach

29%

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What Does This Mean to You?

- To be successful, you must be persistent

- Larger research projects should have a resource in charge of meeting setting

- Win/loss meeting setting should be systematic and within 3 months after deal close
  - Preferably <u>much</u> sooner…
  - The half-life of interest is very short, especially with losses

Incentives

When Should You Use Them?

- Market research projects

- Outreach where relationship isn't as strong

- Projects where you need to reach a larger audience for conversations

- Use for second phase outreach if your initial response rate isn't what you targeted

- Where time is of the essence, as a tool to incent faster meeting scheduling

What Should the Incentive Be?

- **C-level executives**
  - Best: Research results and output
    - Not financially swayed
    - Need to see the value in the time they spend with you
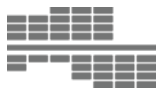 - Alternative: Charitable contribution in their name, financial incentives need to be in the $100s, if used

- **Director and VP Level**
  - Best: Research results and output
  - Alternatives: Charitable contribution, or gift cards (e.g. Amazon/Visa) $25+, Starbucks <$25

- **Individual contributor**
  - Best: Gift cards (Amazon/Visa) $25+, Starbucks <$25

Considerations

- Some people can't take incentives, e.g., government
  - Research results
  - Charitable contributions
- Know your audience
- Giveaways sound good, but are costly and a logistical headache
  - A leftover popular trade show giveaway doesn't make a great meeting incentive

Meeting Setting Tricks and Tools

Outreach Guidelines

- For loss outreach, make it clear: this isn't a sales call

- Email copy
  - No graphics
  - Get intro email from person in your company with the best relationship to the contact
  - Short content clearly describing the purpose of the meeting and incentives (if you are using them)
  - Automated meeting setting link

Meeting Setting Tools

- Calendly

- Google Calendar

- Boomerang Calendar

- Assistant.io

- Make sure whatever you choose integrates with your company email and calendar systems
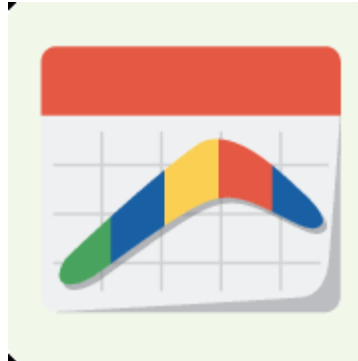
Use Meetings to Get Meetings

- Especially effective in buyer journey and buyer persona work

- Ask interviewee to make email introduction, if possible

- Target key decision makers in buying process or key users/maintainers of your technology

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Getting Sales and Marketing Buy-In

- **Why is it important?**
  - They own your primary lead sources—evaluators, customers, potentials

- **Understand their key objectives and roadblocks**
  - Competitive challenges (competitive win rates)
  - Messaging effectiveness for leads (cost per lead)
  - Account based marketing targets
    - Clear buyer personas
    - Marketing qualified accounts vs. marketing qualified leads

- **Share your outputs with them tailored to their priorities**

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Need Any Help?

- Email outreach copy

- Logistics spreadsheet for outreach

- Sample reporting outputs

- Answer any questions you may have

- Please reach out to us

contact

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