

## Analyzing the Analysts – Part III

In earlier articles, I reviewed the different types of technology analysts and the important role they play in US buying decisions, and also some strategies for scheduling your initial analyst briefings. In this final article in the series, I present eight important rules to follow to make the most of each analyst interaction, and to establish an ongoing analyst relations program. If you have a PR or marketing firm, they can and should help manage this effort.

1. **Use your time wisely.** Target analysts and firms carefully. Consider breaking out your analyst targets into two tiers: tier one for key analysts who are a top priority; tier two for all others.

If your goal is to use analyst relations to influence purchasing decisions in your target market, work with analysts who have influence over your buyers (versus those who work primarily consulting other vendors). If your primary goal is to produce research reports that favorably review your firm or products, consider working with a firm that produces research-on-demand for a price.

2. **Use analysts' time wisely.** Analysts are generally interested in what's new, the business problem you're solving, how your solution is unique, and the benefits your customers are reaping. At an introductory briefing, it's a good idea to provide the analyst with some pertinent details up front, such as vital stats, company history and target markets.

Keep in mind that a PowerPoint presentation is not always necessary – and can be distracting if you have just one or two core points to discuss. If you do use a presentation, keep it short – no more than 10-12 slides. Make sure you understand the metrics on which the analyst firm evaluates

companies. For example, Gartner focuses on vision and ability to execute, while Forrester concentrates on current offering and strategy. Keep your content focused on those areas.

3. **Don't preach to the choir.** Don't tell analysts about market or technology trends unless you can base them in solid customer examples. It's their job to identify and dissect market and technology trends and many will take offense if you try to do it for them.

This may seem obvious, but I've seen it happen: never quote one analyst firm's research to another firm. Forrester does not care that you are in Gartner's Magic Quadrant or that IDC identified you as the market share leader.

4. **Communicate constantly.** If your key analysts hear from you only when your company is launching a product, something is wrong. You should be communicating with them all year long – monthly for tier one analysts, quarterly for others. In-person meetings or phone calls are best, but email can also be effective.

If you issue a lot of news and are concerned about too-frequent communication, consider distributing a periodic email newsletter containing highlights and links to more information. It doesn't have to be particularly fancy – content is more important in this case.

5. **Don't make mentions in published research your only goal.** Many companies measure analyst relations based on the number of times they are mentioned in research reports. This approach is flawed because publishing research is only one part of an analyst's job. Analysts only spend 35

percent of their time writing and publishing research.

An equal amount of time is spent doing advisory work with clients, many of whom are technology buyers looking for advice on vendors. Another 20 percent is dedicated toward telephone inquiries, again many of which are from technology buyers. And 10 percent is reserved for vendor briefings (which may explain why briefings can be so hard to get).

Assuming your company's goal is to maximize revenue and profitability, the most valuable thing you can get from an analyst is a recommendation to clients that they buy your products – whether that's via a published research report, telephone conversation, presentation at an industry event, or email.

6. **Arrange for analysts to speak with your customers.** Analysts are always interested in speaking with end users. When you have references available, offer them. Many customers who cannot be public press references will agree to speak with analysts on background. These conversations are very valuable, giving your company tremendous credibility with the analyst, even if they don't result in written research coverage.
7. **Take advantage of inquiry time if you are a client.** If you are a client of an analyst firm, you likely have access to analysts in the form of inquiry time. Inquiries are different

from vendor briefings (the former are reserved for clients who need advice; the latter are for vendors who want to share news with an analyst).

Inquiries should always be focused on a question such as, "How will emerging technology X affect our business?" But they are great opportunities to spend quality time with an analyst, getting advice and reiterating your own key messages. I've arranged many inquiry calls that were the stimulus for further research or that contributed toward an analyst later recommending my company to its end-user clients.

8. **Don't assume that because you are a client, you will receive more favorable coverage.**

Top-tier firms such as Gartner and Forrester do not give vendors preferential treatment because they are clients. They will judge your company based on merit; doing otherwise would cause them to lose considerable credibility and business. With these firms, money cannot make up for a lack of communication, sub-par products, unclear strategy or poor execution. The one great advantage you have as a client is inquiry time, so use it.

Maintaining regular communications is required for strong relationships with the analyst community. Following these simple rules will help you streamline and focus your US analyst relations effort for maximum impact.

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