

COMPUTERS & TECHNOLOGY

The myth of immigration

Silicon Valley needs more marketing expertise, not more engineers

MUCH TO THE delight of Silicon Valley, House and Senate negotiators last week reached an agreement that would nearly double the number of visas available for foreign computer programmers and other skilled workers. The number would rise from the current 65,000 this year to 115,000 in 2001.

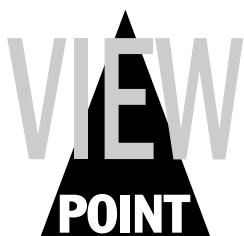
Unfortunately, the real problem is not a shortage of qualified engineers and programmers. Rather, it's something far more endemic.

It's ill-conceived and untested products. It's poorly focused, overly broad, and sloppy marketing. It's a severe dearth of high-tech marketing talent.

Yes, marketing. Here is where growth could be imperiled if this problem remains unrecognized.

The lack of solid marketing within the high-tech industry is resulting in expending too many resources on products and companies doomed to fail. Without market focus, companies churn out a plethora of products designed for no one in particular and everyone in general.

Remember the 3DO, Apple Pippin or Go Corp. debacles? Clearly marketing is a little understood function that serves as the sales department's handmaiden and as the engineering department's favorite whipping boy — sometimes with good reason.



By Shelley Harrison

SPECIAL TO THE EXAMINER

Silicon Valley either employs untrained or inexperienced marketers or undervalues the proficient ones. Companies then proceed to hire more and more programmers to develop inadequate products or worse, great products marketed to the wrong customer for the wrong reason.

This is not about immigrant-bashing. It's about how the high-tech industry must wake up and realize that it has reached adulthood. It's time to stop using marketing strategies that have engineers selling to engineers.

If Silicon Valley focused its present programmers on developing products that fill a real, certifiable need and if companies marketed the products to narrowly defined target segments using well thought-out positioning, we wouldn't need to increase the number of H-1B visas. We would have all the engineering talent we need to continue developing innovative, leading-edge products for a technology-hungry world.

In the days when high-tech buyers cared more about features than anything else and had more in common with one another, it took a technical focus to sell technology. However, with few exceptions, those days are gone.

Marketers rarely hold positions of power in the industry anymore. They're frequently dismissed as non-technical (horrors!) tactical contributors who write data sheet copy and spend their lunch hours schmoozing. In Dilbert's world, they are technological buffoons inflicting unrealistic specifications and timelines upon hard-working engineers.

The high-tech industry's marketing presence has been excruciatingly slow to mature perhaps because, unlike their consumer goods counterparts, few high-tech CEOs have grown up through the marketing ranks.

With the priority being to generate a greater number of products faster, is it any surprise that the cry for more engineers is heard? However, the industry cannot continue to fuel its growth if the products it builds don't match the needs of its constituents.

It's not as if all high-tech marketing is inferior. Over the last few years, marketing initiatives within the high-tech industry have improved substantially.

Just look at the widely emulated product management techniques of Intuit, the successful seeding strategy of the Palm Pilot, or the launch of Windows 95. For every Palm Pilot, though, there are a dozen ill-conceived products consuming valuable Valley talent.

So what are the biggest sins in developing and launching products today?

▲ **Too late.** Marketing is usually involved too late in the development process. They are brought in during the final weeks to write the data sheet and create a press release. Marketing is needed far earlier to see if a product fills actual customer needs.

While high-tech firms cannot afford the 18-month product rollouts typical in the consumer goods world, sufficient time is required to do necessary research, develop positioning, and properly introduce the product. Running these activities in parallel with development ensures no time is lost.

▲ **Too broad.** Companies often define a product's target audience too broadly. Many high-tech companies have only a vague notion of whom will use their product and why. Some companies, for example, target anyone with an Internet connection or anyone with a PC. Very few companies, let alone start-up companies, can afford to generate enough awareness to reach a market that broad, and consumers usually cannot identify with a marketing message intended to reach such a diverse group unless the product is exceedingly simple.

▲ **Too green.** Many companies are filled with untrained, inexperienced marketing personnel, many of them promoted from the engineering ranks without formal marketing training. Today's go-go climate has employees going straight from college to their current positions as founders and vice presidents.

While many of these individuals are smart and highly driven, they simply haven't had the opportunity to experience all aspects of product marketing — from the new product definition and market segmentation to the development of effective, creative marketing programs.

▲ **Too smug.** Marketing is an ongoing, never-ending process. So, your launch went swimmingly. Pat yourself on the back, right? Well, guess what: No matter how much research you performed, no matter how well the launch was implemented, you got it wrong. Your job is to figure out what you got wrong and how badly, and correct it. Good marketers know their job has just begun and proceed to make the necessary adjustments.

▲ **Too penny-wise and pound-foolish.** Start-ups complain they don't have the time or money to perform market research. They think it's more important to get to market quickly with something — anything — than to get to market with the right product. They believe they can't afford to hire market researchers or marketing strategists to test and develop the perfect product.

Nevertheless, conducting research to ensure the product is right is far cheaper than letting a dozen engineers develop a product that will die on the store shelf.

The irony is that everyone's running as fast as possible. Employees at start-up companies are foregoing weekends and holidays, taking red-eye flights, and sleeping in their cubicles. They skip the necessary research and due diligence required to understand and validate a target audience, develop a strong position and create an effective launch strategy. They claim they have no time or funding to produce an effective marketing strategy.

In today's high-tech world — where Internet years are measured in weeks, where technologies and whole companies are obsolete in the blink of an eye and where investors and consumers lack the patience to let a company reinvent and reposition products already on the market, how can they afford not to?

PERSONAL FILE



Shelley Harrison

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Born: East Lansing, Mich., 1960

Title and business: President, Launch Pad — a San Francisco-based high-tech consulting firm specializing in company launches.

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What computer do you work on:

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What you like best about your job: Being involved in dozens of new start-ups each year

What you like least about your job: Driving up and down Highway 101

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Last movie: “The Truman Show”

Favorite escape: Whitewater rafting, tennis, travel, entertaining, skiing