

### 7.8 Choose the Channel, Based on Where your Product is, in the Product Lifecycle:

If you have a software product that opens up a whole new product area, you can choose a different channel from those firms who are producing a "me too" product that competes with a well established major product. If you have invented a new category of product, then go quickly to the retail chain and the press.

### 7.9 Plan your Approach to the Channel Before you Call the Distributor:

Regis McKenna, the Silicon Valley marketing guru, advises companies to develop a "communications strategy" before you approach the channels. This approach is described below.

Find out who influences a major player such as Softsel to carry a product. Do the press reviews of PC World, Byte, etc carry the most weight? If so, who does Byte call to get end user advice on packages? Find all the key influencers in the channels you plan to use and pre-sell them before you call Businessland, Softsel or other major players. For example, can you influence Ester Dyson, Seybold Report, or Dataquest, or the PC Manager at Chase Manhattan to look at your package and recommend it to Softsel? This tracking down of the "key influencer" (business press, trade press, analysts with key research firms, industry luminaries, key hardware vendors, etc) is the key to your seeming bigger than you are and to getting any press attention at all. Properly "worked," a public relations campaign can cost you very little for advertising yet get you substantially more reviews and product sales than an expensive advertising program. However you must plan your positioning, product introductions, dealer introductions, promotional support, and trade show program so they all work together to build momentum and manageable sales. Don't forget to build in the control systems to prevent you from going down the tube with success. Don't forget to communicate with your inventors and your own company about where you are going and how you are progressing towards this goal.

Many firms also fall victim to "press success" ie they get lots of reviews before they are big enough or organized enough to service them. You need to carefully segment you market and obtain reviews in publications that cater to your market not the general market. A good press review in Byte for a VAX utility program may produce 1500 inquiries of which only 20 really are qualified to buy. The costs of servicing these inquiries will eat into your profit picture.

Do things in order. Don't sent your product for review unless you can: a) produce it in a hurry, b) ship it now, c) have an 800 number or a local rep to take the order, d) have the funds to run an ad in the review issue with your telephone number so the customer can contact you, e) call 1,000 leads to qualify them, and f) afford to send out 3,000 review copies. Too many firms have gotten great reviews but didn't think through how they were going to take the orders and pick up the checks.