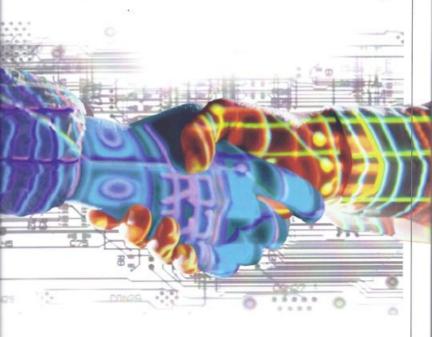# Digital
Handshake

Finding Revenue in New Relationships

Susan Harman ▪ Roberta Moore ▪ Jerry Starr

Preface

What is a digital handshake? We define a digital handshake as a win-win partnership among a technology company, your organization, and your members.

Why should you be concerned about it? We'll give you several terrific reasons. But first, permit us to ask you a few questions:

- How many of your members have computers? How many use them?
- How many have personal digital assistants (PDAs or palm-top computers)?
- Do they have a virtual private network? Or, do they rely on express shipping and fax machines?
- Has your organization kept pace with its own membership in technological matters?
- Do your members and your organization staff make effective use of all the new technologies that have become commonplace in our daily business lives?
- Will you and your organization's members be able to keep up with the pace of technology as it advances at warp speed next month? Over the next five years? What about the next 10 years?

Even if you can say yes to each of these questions, you'll want a strategy to help you develop win–win relationships with the technology companies that can help you increase adoption of technology within your organization. Because without one, you and the members of your organization will inevitably fall behind in a world that sprints at an ever-faster pace, aided and abetted by technological advances. That's why we've written this book for you, the organization executive.

You'll need a way to proactively link up with technology companies instead of letting technology just "happen" to you or (worse) constantly playing catch up. You will need a step-by-step, proactive approach that will help you and your organization's members become insiders in the world of technology companies.

This book was written to provide you with insight and tips that will help you put together rewarding relationships with technology companies and start reaping the associated benefits. Your members will gain competitive insights that help you and them manage information, staff

How to Use This Book

We've spent many years working both with technology companies and associations. Along the way, we've developed processes that have helped us forge win–win alliances between the two different entities. We will explain these to you by breaking them down, step-by-step, so that you can modify or use them to implement your own strategy.

Each chapter will take you one step further along in the process. During the course of the book you'll learn how to:

- Gain an understanding of technology companies by looking through your potential partners' eyes.
- Inventory your organization's particular "product" and evaluate why a technology company might want to work with you.
- Establish goals for the relationship. You will decide, for instance, whether it would be more important to improve member services, generate organization revenue, or help your members make better use of technology.
- Decide exactly what you're willing to offer to a potential ally and how to provide what they need to work with you.
- Identify, qualify, and court your prospective partners and then close a deal with one or more of them.
- Create collaborative win–win programs with your new ally.
- Implement the programs, making sure that the relationship works not only for you but also for your partner and your members.
- Measure and report the results so that your partner and your members understand the benefit of the effort and how it can be improved.
- Follow up with and reward your ally so that you can keep on working with them.

Naturally, since we present the material in step-by-step format, we think you'll get the most out of the book if you read the chapters in order. Each chapter has been designed around a particular challenge that you're likely to face in your efforts to develop a relationship with a

high-tech partner. Although it's not the preferred method, if you must dip into the book at various points, you'll still gain insight as you explore the challenges of harnessing the resources of your digital allies.

Good fortune to you as you develop powerful relationships with technology companies!

Susan, Roberta, and Jerry

Understanding High-Tech Companies and Why They Want Your Partnership

> *Bill Gates/Chairman (Microsoft) believes his company's biggest competitor is still the "non-digital way."*
>
> San Jose Mercury News, June 6, 2001

You may be asking yourself, what do technology companies need from me? Why would they want my association as a partner?

They need you because you can help them solve one of their biggest marketing challenges: to cost-effectively reach and gain new customers—your members.

The universal truth of the digital age is that technology is moving and changing much faster than the association business. Consider Bill Gates' triumphant early decision to shift his desktop, client-server-oriented software company to focus on the then-emerging Internet— or Carly Fiorina's painful efforts to transform Hewlett Packard.

Spencer Johnson powerfully illustrates the dynamics of confronting and adapting to change in his best-selling book, *Who Moved My Cheese?* In the economic turmoil and technology turbulence of today, it's a tale that seems to be hitting home with many people. The allegory revolves around a group of tiny characters that wake up one day to discover that the cheese they had been feasting on daily is nowhere to be seen. How should they react? Should they wait for it to return? Or should they take a chance and respond to the change by venturing out into the maze to look for new sources of cheese? The cheese metaphor may represent any number of things—it may be a job, money, a business partnership, a market, a technology, the economy, etc. How would you react to change if you weren't afraid? The moral: If you don't anticipate and deal with change successfully, you are likely to end up

a victim of circumstance. Technology companies today, more than ever before, have less time to recoup their investment in a product before it is rendered obsolete—or before they are being pressed by their investors and boards of directors for faster return on investments. No market is more dynamic and exposed than the high-tech market. Indeed, the rate of change and innovation are predicted to continue to accelerate—destroying markets and devouring companies. But destruction can be part of a creative process where new opportunities emerge. So anticipate change, plan for it, and capitalize on it when the moment arrives. Just remember: When the cheese disappears, it's time to move.

The cycle of new product introductions is getting increasingly shorter. As a result, technology companies find themselves spending a larger percentage of their resources rolling out the latest and greatest products in a never-ending series of product introductions.

Technology companies, therefore, need to be more cost effective and efficient in their selling and marketing efforts to gain new customers. The answer, for many companies, is to forge marketing relationships with the target markets that they have identified as prospects for using their goods and services.

Target markets are those customers or potential customers who have a common set of needs or wants for a particular product or service, who are in the same industry, and who can also reference each other when making buying decisions. For example, accounting software companies want to reach certified public accountants (CPAs). Laptop and personal digital assistant (PDA) computer manufacturers want to reach mobile professionals, such as real estate agents.

Also called vertical marketing, target marketing is highly efficient because a company can reach potential customers through focused marketing and sales efforts rather than horizontal, usually expensive mass-marketing programs. There's little waste in a targeted marketing and sales effort because the company sends its branding or selling message only to people who may need the product. In today's financial environment, given budget limitations and accountability requirements, marketing departments in technology companies need to optimize resources and carefully plan a targeted marketing approach.

Planning is very much like getting ready for a long trip. You need to determine the direction in which you'll be going, choose the appropriate route and means of getting there, and pack a suitcase with all of the essentials needed for the trip. Ideally, today's technology marketers would like to see every dollar spent on delivering a message to a very

Finding Revenue in New Relationships

Is your budget shrinking while your program of member services is growing? Does your association struggle to find the resources to provide cutting-edge technology information to your members?

Discover how you can generate revenue for your association and improve service to your members by creating win-win partnerships with technology companies. *Digital Handshake* gives you an objective view on how to build a successful relationship with a technology company.

Rave Reviews for *Digital Handshake*

"*Digital Handshake* is a powerful how-to guide to achieving partner results. Harman, Moore, and Starr step you through the dazzling lights and confusing issues related to working with technology companies so that you build the programs and alliances that are best for your association and its members."
—Bill Machrone, Vice President Technology,
Ziff Davis Media (Five-time winner of Computer Press
Association awards, including Best Columnist)

"Within the next 3 to 5 years, members will expect their association to successfully integrate 'face to face' and 'virtual space' into their value proposition and business models. Nobody has the time to *not* read this book!"
—Glenn Tecker, CEO, Tecker Consulting
(ASAE CEO Symposia Series Leader)

"This book provides a road map to guide you in the process of developing beneficial relationships with technology companies."
—Colin C. Rorrie, Jr., PhD, CAE, Executive Director and CEO,
American College of Emergency Physicians
(Chair ASAE Board of Directors 2001–02)