



Stanford eCorner

Strategy for Creating Customer Awareness

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Tien Tzuo, Chief Strategy Officer for Salesforce.com, believes that investments are shifting from direct-marketing campaigns to online marketing. Customer awareness is created through buzz, PR and dialogues in the marketplace rather than spending a great deal on advertising.



Transcript

And so to kind of start, we can start a sort of new awareness cycle. Right? And so, in 1994 and 1995, you know, around then, how did you find about a new piece of enterprise software? And typically, you've found out about it through things like Gartner. You were subscribed to Gartner reports. It wasn't a lot of information access. How do you find out about new things? You've got to go to some of these experts and a lot of experts, you know, analyst firms should be spread up to talk about the 10 new products for system management, for example. Right, there's a lot of these types of reports. And now today, in the internet, what you do, you go right into the internet. Right? You go into the web and you try to figure out what's going on. You listen to Buzz, you go and look and say what is Gizmodo saying about the hottest devices if you will. What is John Markov saying in New York Times? What are the bloggers saying? Or you're saying I kind of know that I want CRM.

I don't know what the products are out there. Well the first thing I'm going to do is to Google search box, typing CRM, look at what pops up and really educate myself. So it's clearly a different world. So, our whole marketing strategy for making awareness of what we are is about PR is about Buzz, it's about building a dialogue in the marketplace if you will and in having that conversation. So if you look at a lot of what we do from our marketing machine standpoint, it's to really build a systematic way of having a two way dialogue with the marketplace. So you need a lot of stories. You need to make yourself relevant. You look what are the things that people care about and be part of that process, be part of the general conversation. And if you can do that, then you can really increase the level of awareness of what the company is all about. So, giving you the quick example, no, it's not a sale for example, but there's a company called OQO that produces this sort of mini Windows machines and so the first time you see it, yes it's pretty cool.

It's not actually running Windows mobile, it's running Windows XP. But, it's a device this big. And I was talking with the OQO guys when it all started. And instead of taking up a big ad, instead of talking to companies, they basically just sent, took the first five devices off the assembly line and they sent one to Gizmodo; they sent one to John Markov; they sent one to Steve Hamm or Steve Wildstrom over at Business Week. They sent one over to Walt Mossberg over at Wall Street Journal and then in the next one week or two you started seeing articles being written about it because it is was kind of a cool device. And so they paid no money for advertising or PR but they really did generate an enormous amount of buzz and awareness of the product and they did raise the level of awareness. So, that is the new world if you will. Even today we still see companies that are still stuck in the 90s, so to speak. They'd create a product, enterprise software product and they think the first thing they got to do is go out there and educate Gartner when people's behaviors are completely different now in this age of the internet. And so, this next stop along the way.

You know, the customers sort of, you've done a good job, the buzz out there, you're talking to bloggers, people are finding you on Google and they're aware of your product. How then do they evaluate your product? Now in the 90s, what they would do in the enterprise software right, it wasn't something you can touch and feel. You would go to an event. You would go to seminar, right? Or perhaps you would call the company directly and have them sent the sales rep over and do a demonstration. But now that the internet is available, you have a different world there is really an open access to information and so we've gone from a world of closed access to information to a world of open access to information and you can see that with a consumer's sight. You can see people investing in more content on the web. Really to put content out there and that's a lot of what we do. We'd put a lot of investment in our website because, after finding you in Google, they're knowing about you, they come to your website. That is your initial impression if you will. And so, I have a saying that says if I have an extra dollar in marketing spent, I'd much rather put it on the next crazy idea on the website that kind of drive up usage of our website, create more vehicles for people engaged with us, than, say in a direct marketing campaign or anything else, because that's where people are finding you.

And if you look at we've done for the last seven or eight years we really invested in our website. We've got a big sprawling property. We got best practices websites. We got developer websites. We have app exchange websites. It's our way of harnessing lots and lots of on-demand applications. Our corporate website is big and sprawling. Even, you know when I look at Stanford, one of the first things I did is go to the Stanford website to kind of check out the last week's podcast. Right, I want to get a sense of it. It's been 10 years since I've attended one of these things and I don't want to something where it looks like I'm a sort of a reject from the 90s.

So I listened to the last few podcast and see what are the people saying and so on and so forth. And it's just a rich, rich website where we're capturing all these great content and really putting it on the web. And that's something we've done. And that's something you see a lot of enterprise software companies do. But in these days and age of the internet you got to open up the information, put it on the web and really let people get access to it. And that's a big thing.