
THOUGHT LEADERSHIP

- MORE THAN A CATCHY PHRASE FOR PR PROFESSIONALS -

Thought Leadership is a means of differentiating your company from others in your field by being seen and heard as informative, innovative, challenging and relevant to current industry issues and challenges

In today's scenario, companies, especially the new entrants or small companies, have to work extra hard to get visibility especially when the market is crowded with competitors all vying for the same business. Technology companies face the added dilemma that IT departments do not want to buy from a small, unknown vendor, and the vendor is unlikely to become large and reputable unless it has major customers. So, how does a company become better known with limited resources? By becoming an industry thought leader.

A thought leader is a recognised leader in one's field. What differentiates a thought leader from any other knowledgeable company is the *recognition* from the outside world that the company deeply understands its business, the needs of its customers, and the broader marketplace in which it operates.

Trust is built on reputation, which is generally NOT built on advertising. It is built on what others say about the company. Your company size is inconsequential if one is considered a thought leader in one's field. Companies will look to you for insight and vision. Journalists will quote you, analysts will call you, and websites will link to you.

While the notion of being a thought leader is readily embraced by most companies (who doesn't want to be one?), one has to play it right or risk undermining the organisation's credibility.

The starting point

The word "thought." Begin by creating a big picture idea with relevance to many. Look outward, not inward. The idea should not be myopically focussed, but appeal to others outside the company. And while it doesn't have to appeal to a vast universe, it must appeal to a market or a segment of the market. Pervasive thought leadership platforms *cleverly rise above* the company; its products; its technologies and its services.

Companies create thought leadership ideas to forge a *differentiated position* for themselves. By developing big concepts, the thought leadership company creates competitive advantage. The marketplace perceives it as a mover and shaker, someone shaping the agenda vs. responding to it. Great thought leadership campaigns give their creators an offensive vs. defensive position and of course get them noticed.

RED HAT

This company created a high-level thought leadership position when it evangelised open source software. In the early days, it gained little economically, but in the end, Red Hat was so tightly aligned with the concept it became the defacto leader in the “free software” market space. An excellent example of an initially unknown start-up company using thought leadership to set the agenda and align itself with a big idea with broad yet differentiating appeal.

An effective thought leadership idea has *forward appeal*. It's not a rehash of where things have been, it's a brilliant definition of how things should be and where they should be headed. *It's a desired state with emphasis on benefits.*

Effective thought leadership ideas are *embraced by others*. The ideas are so strong and compelling, that direct competitors either overtly or indirectly respond to - or shape themselves around the idea. In some instances, competitors adopt the thought leadership idea but morph it with their own language.

Great thought leadership *lives a long life* ... years not days. It isn't intended to be a short lived advertising tagline or a bumper sticker ... it's a concept that becomes a definitional stake-in-the-ground for high-level corporate messaging.

SIEBEL'S INVENTION OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

One can argue the broken promise aspect of CRM, but years after its invention, it is still the most used category definition and competitors like PeopleSoft continue to use the language.

The best thought leadership ideas are thought provoking, *challenge the marketplace* and are perceived as newsworthy by the media. Sun Microsystems' classic “The Network is the Computer” was one of the best. While Sun has fallen on challenging days, this particular thought leadership idea redefined the competitive technology landscape for over a decade.

Now for the second word, the “leadership” part. Great thought leaders *don't sit back* and say, “Give me a call when you want to talk about this idea.” They are bold, aggressive and in-your-face. They push the ball up the floor and take their message out with great consistency. Cisco has a regular “thought leadership summit” (founded by The Center for Digital Strategies at the Tuck School of Business and Cisco). PeopleSoft has an annual thought leadership summit that attracts thousands of executives. You don't want to create an exciting idea and let it sit, you want it to proliferate.

There is - for the bold and socially minded - an even higher state of thought leadership. Companies can rise above their own market niches (and self interests) by making their world a better place to live.

CASE STUDIES

PNC Financial Services Group's "Grow up Great" programme is a comprehensive corporate commitment to improving school readiness for pre five-year old children. Similarly ConAgra Food's "Feeding Children Better" thought leadership programme attacks the issue of child hunger in the U.S. The PNC campaign is really out-of-the-box for a financial services company; the ConAgra programme is in their business zone, but is still positioned credibly at a high societal benefit level.

One of the best practitioners of thought leadership in the tech industry is Dave Fowler, current VP Marketing at IMlogic, and previously with Sun Microsystems, Kana and Chipcom. In explaining its power he says: "Great thought leadership complements great branding. With the right mindset and commitment, smart companies can create captivating ideas with wide appeal, engage the marketplace in thoughtful dialogue and convert this agenda-setting into a compelling market leadership advantage."

HOW DOES ONE BECOME A THOUGHT LEADER?

Before one takes the first actionable step, a fundamental shift in mindset is needed. Thought leadership requires a spirit of *generosity* - generosity of one's time, intelligence and knowledge. It requires a trust that by being open with what you know, and by sharing your time and knowledge, the world will reward your efforts. With that in mind, here are steps that will help you on your way to being a thought leader:

1. **Cultivate the press.** Don't let this be restricted solely to the communications department. The CEO or the VP of marketing of the company should have a list of 20 writers and editors who regularly report on the sector. They must meet them periodically and share with them usable information - a lead, a story, some insight, a quote, customers to whom they can talk for quotes.
2. **Write** - white papers, case studies. Assemble a valuable knowledge base of materials that demonstrate not only the organisation's expertise but also its commitment to solving customer problems. Key leaders should be encouraged to write industry specific pieces that have useful information for potential customers rather than sales pitches for your products.
3. **Spread the word.** Get what's been written into the hands of anyone who might be interested. Submit articles to editors of newsletters, trade magazines. Post them on the website. Make them free and easily accessible.
4. **Speak.** Identify trade shows and conferences that customers and industry influencers are attending and get on panels or lead workshops. Find out about the local associations that host speaking events and register key knowledge leaders as speakers. Again, the focus should be on providing useful information related to the industry and not a sales pitch for the organisation's. The objective is to inform, educate and provide a unique perspective.

5. *Use the website.* The company's website should be a source of useful information for customers, potential customers, and influencers. It is surprising that so many companies still view the web as a place to park their corporate brochures versus a dynamic, highly interconnected exchange of knowledge. The web is a *marketplace* of ideas, not a kiosk. If the company's website is worth referencing too, it will attract more traffic and will be considered to be of high value to those logging in.

6. *Unlock white papers!* Don't make people register to learn more about your company. The information should be easy to access and readily available. For lead generation one can use direct response advertisements rather than holding the information on the website hostage. Be generous with your expertise. Or the market will favour someone else who is.

7. Make thought leadership *a strategic imperative* for the company. Ideas and insights do not require dominant market share or millions in capital expenditures. The company does not need to be a leader in sales to be considered a thought leader (though of course it doesn't hurt). In technology companies, the rules of the game change so quickly that insights become currency. But becoming a thought leader does require work and commitment. It demands the often difficult task of looking at your company from the perspective of the world outside. Most companies fail miserably at this. Generating an ongoing effort towards thought leadership is the best way to ensure that it actually happens.

SCALING THE CEO

Prior to the widespread adoption of digital technologies like PCs, cell phones, and the Web and the accompanying change in customer's expectations for differentiation, companies used vision predominantly to motivate employees, build morale, and strengthen company culture.

The world's capacity for executive visibility, especially for executives of digital companies has grown exponentially and reinforced the demand for executives with presence and a vision of the future. Today, a company's vision of the future could not be limited to its internal audiences.

On a closer look at the experiences with EMC, Intel, Sun and Microsoft, one finds that each featured a CEO with a visionary agenda whose public persona was larger than life. The most interesting aspect of Cisco's CEO, John Chambers's view of the future was not its ultimate accuracy. What was different about his vision was the fact that it wasn't a vision for Cisco. Chambers offered a perspective on the future business model of his customers.

In order to achieve momentum, a company has to motivate not just the customers but also the ecosystem around them. To address the futures contract he had with Cisco's customers, Chambers had to articulate a vision that promised to move its ecosystem partners in the right direction. In speaking to Cisco's telecommunications customers about the revenue opportunity at stake, Chambers was also trying to rally an entire industry around the economic opportunity available to third parties in the voice-to-data business transition. He had seen IBM and Wang lose ground to more nimble competitors as the business opportunity of corporate computing moved to

the PC and computer-server business models, and he was certain that the same inclusive, standards-based business model would prevail for the Internet.

Ideas about the impact of technology on business and people's lives are the currency of innovation in the Marketplace of Ideas. Customers expect momentum brands (and their CEOs) to tell them things they don't already know about how to solve old problems in new ways, that's what we call thought leadership. In a B2B context, thought leaders illustrate over-the-horizon business concepts that describe the impact of digital technologies on a market's business models, business processes, or customer behaviours. "Conceptual innovation" is how the International Thought Leadership Council defines thought leadership. The most effective forms of thought leadership extend beyond the "what" to the "how". In other words, customers want to know more than what to expect; they want to know how to understand the impact of digital technologies on their businesses, and what strategies, approaches, or models to deploy in order to take advantage of the new technologies.

"Think of your CEO as a product."

Develop deliverables that scale your CEO's vision of the future, especially deliverables that are available via the Web. Include video programmemes to establish a sense of the CEO's personality and how it aligns with the customer experience. The most common and effective channels for thought leadership are public speaking, best practices, case studies, original market research, white papers, and books, and now blogs. These proven tools put the CEO's ideas in decision-making opportunities and conversations even when he or she isn't in the room. It's the ideas, the vision that need help spreading and the CEO cannot do it alone.

THOUGHT LEADERSHIP FORUMS

Thought Leadership Forums are a new way of looking at key strategic issues for business and society. In this world of increasing specialisation, which is more than offset by escalating connections and globalisation, the company's best chance for insight is often not individual or isolated experts, but through networks. Networks comprised of experienced professionals matched up with those with fresh perspectives can work together to create knowledge and intelligence that would be inaccessible in isolation. Thought Leadership Forums is an effective methodology and a dynamic format to share ideas, push the boundaries and create new insights.

CREDIT SUISSE

Boston's first Thought Leadership Forum was designed to introduce new information and new models to leading investors. These new models come from a variety of disciplines - sociology, evolutionary biology, complex adaptive systems, and organisational dynamics. These models helped investors understand companies and markets through new lenses, and this new understanding yielded new insights and ideally better investment performance. In reality, most investors slip into a day-to-day routine that is largely devoid of thought diversity. Ample evidence suggests that thought diversity is central for creativity and problem solving. The Thought Leadership Forum celebrates this thought diversity while constantly striving to show how and why out-of-the-way mental models can make for better investing.

This Thought Leadership Forum did a tremendous job of bringing investors together with thought leaders from a variety of disciplines to explore new models and new "building blocks" that might be relevant for investing.

INFORMATION TECHNOLOGY ASSOCIATION OF CANADA FOR ONTARIO (ITAC ONTARIO)

A series of roundtable peer-to-peer thought leadership forums are organised by ITAC Ontario

These forums comprise of senior hospital management and represent a number of hospitals that are surveyed to convey most pressing operational challenges being faced by them. Specific survey topics are chosen for each forum. In an open interactive exchange, experiences are shared on how the issues are being addressed on a practical operational level of implementation versus simply the 100,000-foot strategic viewpoint. Discussions at these forums generate market research data that is made available anonymously to participating organisations.

Advantages:

- The participants obtain a forum to openly discuss pressing and pertinent matters of the past, present and future directly with their peers in a closed and secure environment on practical operational levels versus simply the 100,000-foot level.
- Hospital management is able to receive this information as a resource in a structured format from their peers to apply proven best practices in their own environments.
- Panelists have the facility to engage vendors in a proscribed, focused and structured venue. The latest information on problems and solutions first hand are received directly from source
- Vendors are able to become a part of an interactive dialogue related to the burning questions and issues on practical operational levels facing healthcare managers so they can plan and coordinate their offerings accordingly
- Gain insight into demystifying the complexity of the healthcare system and its way of approaching issues in their environment and better target vendor solutions to those in need

(Excerpted from the workbook of PR Pundit's workshop, held in Mumbai on November 30, 2005)