Alterra Group

Your Thought Partner in Thought Leadership

Midsize Supply Chain Software Companies:
A Thought Leadership Call to Arms

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Summary

Thought leadership marketing is critical to B2B companies, especially those that sell complex products, services, or solutions. It sets a company apart from its competitors and makes prospects eager to learn more about how the company can help solve their business problems. But despite thought leadership's importance, many companies struggle to produce great thought leadership content, or produce enough of it. And that can make it tough to win against more prolific competitors.

To better understand the prevalence and kinds of thought leadership B2B companies are producing, Alterra Group is conducting a year-long research effort aimed at select groups of enterprises. First up: midsized supply chain software companies. We evaluated the types and quantity of thought leadership published on the websites of nearly 50 such companies, which represent most of the players in that group. At a high level, we found the following:

- The vast majority of midsize supply chain software companies are directing at least some investment toward thought leadership, although for a substantial percentage, the output is limited.

- Content that is faster and easier to produce is far more pervasive than more substantive thought leadership, which prevents these companies from more fully demonstrating the strength of their ideas and offerings.

- Even companies that are producing much more content than others are passing up a chance to add depth and substance to their efforts— and, thus, truly differentiate themselves from those that produce little.

In this report, we further discuss the study's findings, as well as five key actions midsize supply chain software companies should consider as they seek to invest in or improve on their thought leadership marketing program.

Introduction

The key to effective thought leadership marketing is creating great content that educates and informs prospects and positions the company as a voice of authority and credibility—content that engages prospects and clients and inspires them to want to learn more about the company behind the message. Thought leadership marketing is critical to B2B companies, especially those that sell complex products, services, or solutions—such as software companies.

So how are software companies doing? To find out, Alterra Group conducted research to understand the prevalence of thought leadership among a segment of software companies.

About the Research

To compile our research sample, we identified supply chain software companies via readily available industry sources (including publications and associations) and categorized them by size (focusing on the target of midsize companies in the 501-5,000 employee range). The vast majority of the companies are based in the United States. The usable sample meeting our criteria was 46. Between September and October 2017, we visited the website of every company in the sample and recorded the number and types of thought leadership marketing content featured there and published in 2016 and 2017 (when so noted).

We focused our evaluation on seven types of content—books, research studies, bylined articles, white papers, self-published articles, case studies, and blogs—as these are traditionally the primary types of thought leadership content B2B companies publish.

We focused our research on companies that provide software supporting supply chain operations—either end to end or a single part of the supply chain (such as transportation or warehousing). We further narrowed our sample to midsized companies to level the playing field, so to speak. In other words, while midsize companies may have the resources to publish thought leadership content, evaluating them in a sample that also contains companies many times their size wouldn't be fair or instructive, as the latter have the financial might to invest far more. Plus, due to mid-sized companies' smaller size, the impact of thought leadership investments on a company's growth agenda can be substantial, visible, and measurable.

Our sample included nearly 50 midsized supply chain software companies, for which we investigated both the types and quantity of thought leadership pieces on each company's website (see box). Our approach was not meant to be a comprehensive evaluation of midsize supply chain software companies' thought leadership efforts, nor an assessment of the quality of the content they are producing. Rather, it provides a snapshot of how committed to thought leadership this segment appears to be (based on their output) and how deep and substantive the thought leadership is (based on the types of thought leadership materials they favored).
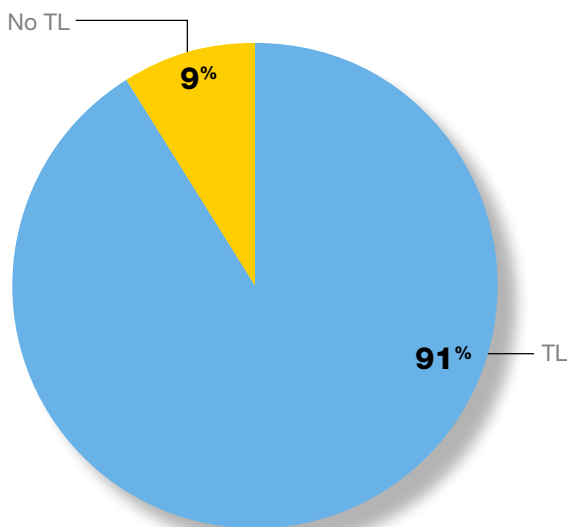
Findings

Three main findings emerged from our research.

Finding 1: The vast majority of midsize supply chain software companies are directing at least some investment toward thought leadership.

More than 90% of companies researched featured thought leadership pieces on their website (Figure 1); 9% provided none (although they may have posted brochures or other sales or marketing collateral). This is remarkably consistent with a survey conducted by the Content Marketing Institute and MarketingProfs[1], which found the identical percentage of content marketing participation among B2B companies in general.

On the surface, this appears to be good news for the segment. Nine in 10 companies seem to recognize the value of thought leadership and are actively engaged in producing some type of thought leadership content. But there's more to the story.

Figure 1: Company websites that featured thought leadership content

No TL

9%

91% TL

Finding 2: Content that is faster and easier to produce is far more pervasive than more substantive thought leadership among companies we studied.

Blogs and case studies are the thought leadership vehicles of choice for the companies we studied. That's not surprising, as these pieces require less investment in time and effort than more substantive pieces.

For instance, as shown in Figure 2, the largest percentage of companies produce case studies, followed by blogs; not far behind are white papers.

More substantive types of thought leadership are far less prevalent in our sample. About one-quarter of companies studied have published eBooks, which typically are more robust than white papers but far less so than traditional printed books (which none of the companies we looked at have published). Only 13% of companies have produced in-depth research studies, which historically have been the foundation of rich thought leadership content. (Note: We didn't consider industry reports, conducted by external third parties and simply sponsored by a software company, as thought leadership because those reports did not reflect the thinking, expertise, or experience of the company—hence, it's not their thought leadership.) Very few companies featured articles— either self-published or bylines in external publications—on their website.

Figure 2: Percentage of companies publishing thought leadership by type
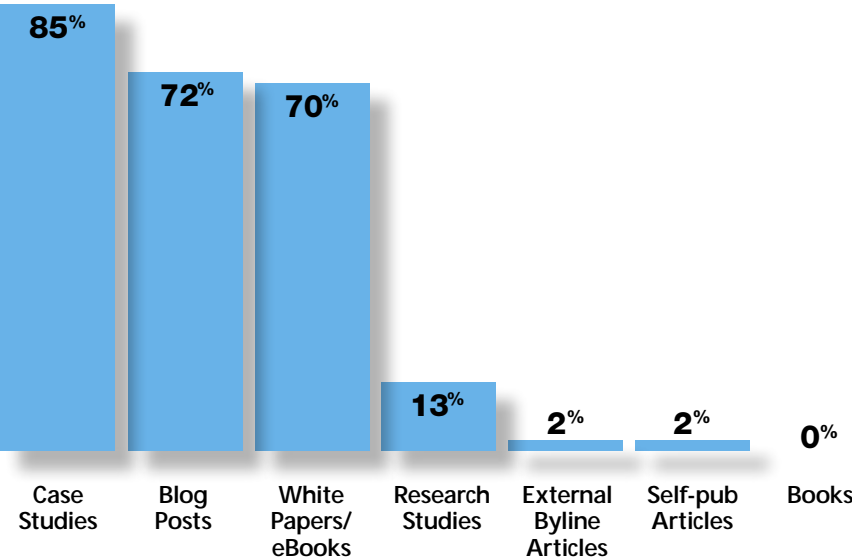
Finding 3: Even companies producing the greatest amount of content are passing up a chance to add depth and richness to their efforts.

The preference for fast and easy content is further evident when we consider the content volumes for our sample in aggregate (Figure 3): Blogs represent more than half—53%—of the total number of pieces produced by the nearly 50 companies we studied. Case studies accounted for just under 30%.
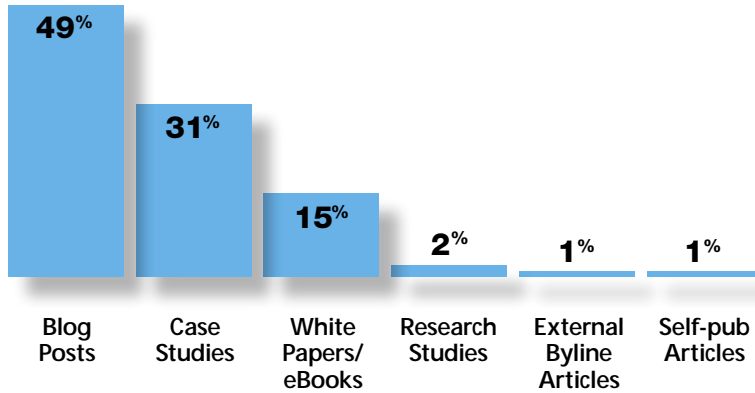
Figure 3: Percentage of total thought leadership pieces produced by the entire sample, by type of content
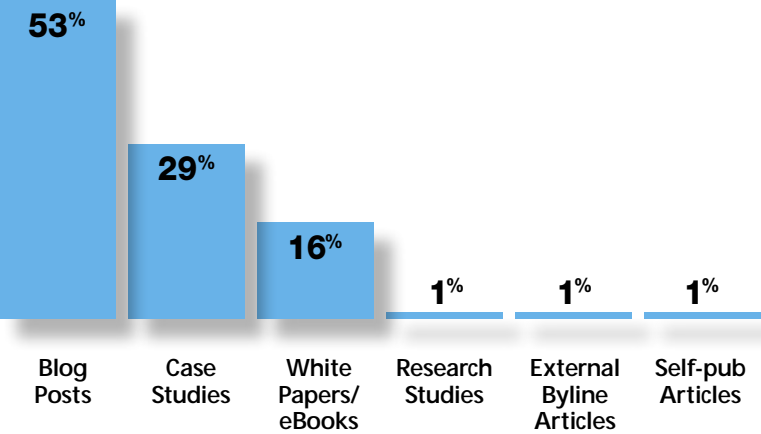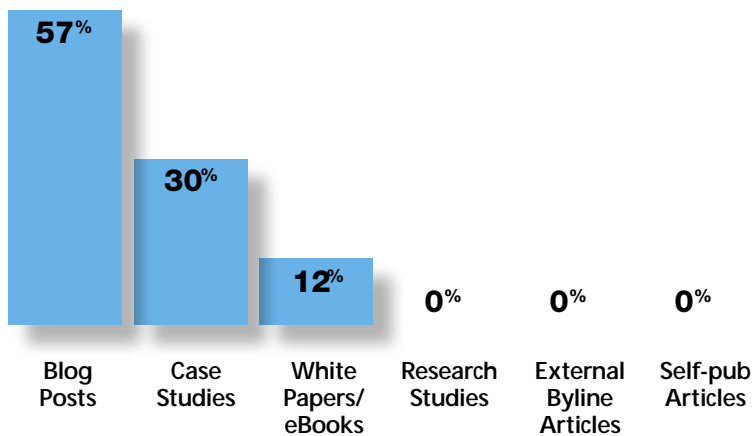

What's interesting is the content portfolio is fairly consistent whether a company is producing lots of content or only a little. For example, 20% of companies in our research accounted for 59% of the total thought leadership volume across the sample; and, at the other end of spectrum, 20% produced just 1% of the sample's total output. Yet, as illustrated in Figure 4, the mix of content types across the thought leadership content portfolio is not dramatically different between these two groups—and, in fact, is quite similar to the average mix for the entire sample. In other words, in the case of our sample, midsize supply chain software companies that are publishing "more" aren't necessarily producing deeper or more substantive content. Thus, they're missing the opportunity to really differentiate themselves in the market from the companies that are essentially doing little to nothing in the thought leadership realm.

Top 20% of Companies by Volume:

Blog Posts	Case Studies	White Papers/ eBooks	Research Studies	External Byline Articles	Self-pub Articles
49%	31%	15%	2%	1%	1%

Bottom 20% of Companies by Volume:

Blog Posts	Case Studies	White Papers/ eBooks	Research Studies	External Byline Articles	Self-pub Articles
57%	30%	12%	0%	0%	0%

Recommendations

Our research demonstrates that midsize supply chain software companies recognize the need to get content in front of buyers. But it also demonstrates that many, if not all, have ample opportunity to drive more impact from their thought leadership investment. If you're one of those companies, what should you do? Here are five things to keep in mind as you consider how to build on what you've already done and expand your use of thought leadership to generate greater awareness and demand in the marketplace.

1: Strike the right balance in the thought leadership content mix.

The vast majority of companies in our study dedicated far too much of their output to easy-to-produce content (especially blog posts) while eschewing more in-depth pieces. Blog posts certainly are a great tool for generating awareness and keeping in front of target buyers—and there's no excuse for a company, regardless of size, to not take advantage of them. However, by their nature they're superficial; they don't enable a company to look at an issue at any depth or truly demonstrate its expertise, which is the primary value of thought leadership.

White papers, while certainly harder to do right, do provide that ability. And because of this, they're highly effective: According to the CMI/Marketing Profs survey, white papers are the most effective type of content, cited by 50% of participants as effective. (For companies with the most successful content marketing efforts, that figure rises to 62%.) Research reports, as well, are not easy to pull off. But there's no better tool for helping companies credibly diagnose business problems, identify solutions to those problems, and create fodder for media relations outreach.

In short, you should continue to work to increase the maturity of your thought leadership program, which means having a mix of all types of content to balance the need for both regular touch points with buyers to stay top of mind, and more in-depth examinations of issues to establish and sustain your voice of authority. A handful of companies we studied—most prominently, leaders such as JDA, Manhattan Associates, and Zycus—are on that path to maturity. These companies have complemented blogs and case studies with other types of pieces— including more substantive and richer ones, such as white papers, eBooks, and research studies.

2: Beef up your cases studies.

There's no disputing case studies are effective. In fact, they were second in effectiveness only to white papers among respondents in the CMI/Marketing Profs survey. That's because, unlike other types of content, case studies provide proof that a company's ideas and offerings can solve business problems and generate significant value for companies that embrace them.

But not all case studies are created equal. Brief one-pagers (which are the vast majority of those we saw from the companies in our research) are fine for a slide in a presentation, when the speaker can expand on it in front of the audience. But case studies posted to a company's website should be much more substantive to truly show how the company's ideas or offerings improved the client's or customer's business. If they're not, you're missing a huge opportunity to dramatically increase the impact case studies can have on target buyers.

The most effective case studies are not overtly salesy. Rather, they're objective, factual, informative, and compelling to read—akin to what one might find in a leading trade or business publication. They take readers through a logical progression from the business problem a customer was looking to solve, how it was solved, key challenges faced along the way (and how they were overcome), and the resulting operational and financial benefits (ideally, quantified). And, when possible, they feature quotes from customer executives who were involved in the project being discussed and can attest to the work done and results generated—which greatly enhances the case study's credibility.

3: Don't be afraid of books.

Not a single company in our research has published a business book, which means all of those we studied are missing a big opportunity. Business books provide the best way for your company to fully demonstrate the depth of its expertise, ideas, and approaches to solving executives' business problems. Plus, they are a wealth of content you can mine to fuel many related thought leadership marketing initiatives over the course of a year or two. And they can be a springboard to speaking events, book reviews, and bylines in external magazines that can boost your firm's visibility.

But no one reads long books anymore, right? Wrong. According to an international speaker and coach[2] to some of the biggest companies in the world, the typical executive reads four to five books a month. Why shouldn't one of those be yours?

Mid-size companies often think a book is out of reach—it takes too much time, it's too hard, it's too expensive. But that doesn't have to be the case. Plenty of resources are available to help at any stage of the book-development process:

- In some cases, an external party can simply provide consulting guidance on the book's structure and focus, helping to ensure a logical flow and identifying holes in the book's argument while leaving the actual writing to the authors (although we don't advise this route unless the author is an excellent writer and can put in the time required).

- In other cases, an external resource can get more deeply involved at specific points in the process, taking on a lot of the heavy lifting to ease the burden on the author. This could include working with the author to develop the book's detailed outline and point of view; conducting research required to support the book's points and fuel the creation of case studies and examples; writing the manuscript based on interviews with the author and other source documents; or helping to edit and finalize the manuscript for publication.

- Some third parties can handle the entire, end-to-end process, serving as an integral member of the book-development team from the outset until the manuscript is turned over to the publisher.

The point is, you shouldn't dismiss books as beyond your means. Books can, and should, be considered as a key element of your thought leadership mix.

4: Make sure you use video in the right way.

Many B2B firms are increasingly using videos to get their messages across to target buyers. In fact, although video wasn't a focus of our evaluation, we did note that a large percentage of the companies we studied feature videos on their websites. And that's a good thing, provided you understand video's strengths and shortcomings.

Short-form video's format—i.e., one- to three-minute clips—simply doesn't provide enough time or "real estate" for a company to be able to look deeply at key issues. That's why it's a poor choice as a primary thought leadership marketing tool. Instead, video is best used when it enhances or augments a more substantive piece of thought leadership—say, a white paper, research study, or business book. In other words, video should be only the appetizer that sets the stage for the main course of rich, informative, and highly educational content.

5: Whatever you do, make sure to do it right.

Most companies—especially midsized ones—don't have the luxury of unlimited funds to spend on thought leadership. So when they do spend, it has to generate returns. How do you do that? Make sure your thought leadership content is of the highest quality—that will resonate with and motivate executives. According to an Economist Intelligence Unit (EIU) survey[3] of B2B executives, around eight in 10 said superior thought leadership influences both their purchasing decisions and choice of business partner.

In other words, for companies that get thought leadership right, the payoff can be significant. What does getting it right mean? According to the executives in the EIU survey, it primarily means what we've always known it does: making sure thought leadership showcases innovative thinking, paints the big picture, delivers transformative ideas, and is credible. So, superficial blog posts, self-serving studies, research using data of questionable provenance, and white papers espousing mere theories or unsubstantiated opinions are not going to make an impact with target readers—and, thus, won't generate the returns anticipated.

Conclusion

Thought leadership marketing has come a long way from the days when it was the exclusive province of "big-brained" consulting powerhouses such as McKinsey, Bain, and Boston Consulting Group. Today, it's a key tool for virtually all types of B2B companies as they battle for the attention and dollars of discerning executives looking for the solutions to a wide range of business problems.

As our research found, most midsize supply chain software companies' thought leadership marketing efforts to date have been limited. While virtually all engage in it, a substantial percentage are essentially still dipping their toes in the water—producing very few pieces or concentrating on only one type of (superficial) content. But therein lies opportunity: Except for a handful of leaders, no company in this segment is yet a prolific thought leadership marketer. And that leaves plenty of room for those that choose to develop richer, deeper, and more diverse content that can separate them from the pack and help them get noticed by the buyers who matter.

Notes

1. Lisa Murton Beets, "New Research Reveals Habits of Top Content Marketers," Content Marketing Institute, September 27, 2017, http://contentmarketinginstitute.com/2017/09/research-habits-content-marketers/.

2. Brian D. Evans, "Most CEOs Read A Book A Week. This Is How You Can Too (According To This Renowned Brain Coach)," *Inc.*, June 27, 2017, https://www.inc.com/brian-d-evans/most-ceos-read-a-book-a-week-this-is-how-you-can-too-according-to-this-renowned-.html.

3. "Thought Leadership Disrupted," *The Economist Group*, 2016, http://tldisrupted.com/.

Alterra Group helps professional services firms and other B2B companies produce compelling, high-quality thought leadership content to fuel marketing programs that generate awareness and demand. In our role as thought partners, we work with organizations to develop unique and compelling points of view and publish those points of view via blogs, bylined articles, white papers, research reports, and books. Our clients include leading global services organizations, midsize consulting and strategic advisory firms, boutique consultancies, influential trade associations, hi-tech firms, and independent consultants and authors.

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