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THE 'SOLUTIONS' POLLUTION

TECH JARGON HAS MUDDIED UP INDUSTRY CONVERSATIONS FOR FAR TOO LONG. WELCOME TO OUR TRANSLATION.

BY **CAITLIN BURKE**, CBURKE@BIZJOURNALS.COM, @WBJBOOKOFLISTS

When you're at a cocktail party and someone you meet says she works for a **"solutions provider,"** chances are she's not referring to the kind of problem-solving Olivia Pope does on ABC's "Scandal." But you smile and nod along, pretending to know what it is she actually does on a daily basis. This being Washington, we can safely say we've all been there.

Well, the jig is up and we're outing ourselves: **The truth is,** we aren't completely sure we know what the phrase "solutions provider" means, either. Long gone are the days when companies actually made widgets. Now they sell professional services, platforms and proprietary expertise under the ubiquitous cloud of "solutions." Today, we poke that bubble and begin decoding what it is a solutions provider actually provides.

I SAY SOLUTIONS, YOU SAY...

We asked Jonathon Perrelli, managing director of Fortify Ventures LP, to more specifically define what he considers the most common types of solution providers out there.

MANAGED SERVICES

This typically translates to a monthly, billable product. Examples may include Web hosting or a software program like Salesforce, where you pay for access to technology built by another company. There may not be a lot of interaction with that company's employees unless you need technical or administrative support.

VALUE-ADDED RESELLER

That often means selling other companies' products, but with an added dose of your own brainpower. Maybe a company is taking an Oracle software package or Microsoft SharePoint and peddling their particular expertise in that technology. To do this, companies will come up with their own unique, proprietary process.

MANAGEMENT CONSULTING

Referred to by some as "the original solutions providers." "Consulting," particularly in Washington, can be just as vague a term as "new solutions," of course. But what this usually boils down to is this, he says: When a company is coming in to consult, there's going to be disruption to an organization. It means something is not working that should be, and many times these are painful "solutions."

CUSTOMIZED SOLUTIONS

Here, a company will build out or mold a new software program to be more tailored to a customer's specific business processes or needs — for example, how a retailer accounts for quarterly sales versus a Realtor. This, by the way, may be in direct contrast to a company that specializes as a value-added reseller.

THE LIST

Q&A

G. SCOTT SHAW

PRESIDENT
AND FOUNDER, EVERCLEAR

So who comes up with these polysyllabic, adjective-heavy company descriptions, anyway? We asked G. Scott Shaw, a marketing and branding expert for venture-backed technology companies at Columbia, Maryland-based Everclear, for his insights on how tech companies should identify themselves to not get lost in the cloud ... er, crowd.

Does the term "solutions provider" mean anything? I think everybody tries to sell solutions today, and no longer people are talking about features.

Would you get rid of the phrase? I don't think it's bad. The problem is that people stop there. They don't tell you what [their solutions are]. Or if they tell you what, they don't tell you why. I just think it's the easy way to go ahead and describe yourself, and it's lazy. They think they're off the hook.

What makes for a good company description? The most important message a service provider can deliver to customers and prospects is what makes their company different and hopefully unique from their competitors.

What's the biggest misconception about company descriptions? People think it's what they're selling. It's really what their customers are buying.

SO WHAT DO YOU DO AGAIN?

In our quest to define solution providers, we polled the small technology companies in this week's List and asked the following question: If you consider your company to be a solutions provider, what does that mean and what do you want your customer to know about the work you do?

Seems easy enough, right? Well, we pulled out three responses at random, and here is Shaw's take on what works, what doesn't and, on a scale of 1 to 10, how he'd rate the description. Note: Company names have been removed from the descriptions to protect any lingophiles.

-3

ANSWER 1

"Our focus is customer service and making sure our clients are taken care of properly. Our tool happens to be technology solutions."

What works?
I think they're trying to take a playful spin on it.

What needs improvement?
There's so much. Technology solutions is way too broad. There are so many different categories. You want to say, "Company A offers service B for customer C and receives benefits XYZ." You need to say who you are, what you're offering and why people should care.

Score: -3

8

ANSWER 2

"We design digital workplace solutions on Microsoft SharePoint and Office 365 to help organizations effectively share what they know and find what they need, anywhere, anytime, on any device."

What works?
They offer a specific niche with Microsoft SharePoint and Office 365 and a strong (but increasingly common) benefit of "sharing what they know ... anywhere, anytime, on any device." Because they used a specific type of solution, they are narrow with their services they offer. This allows them to get wide on their targeted industries. I liked the benefit.

What needs improvement?
When was the last time you found yourself searching for a "digital workplace solution?" Companies often try to create their own language to describe themselves or invent a category of solution that they sell, but if a potential customer couldn't find your company by typing common keywords into Google, you're probably causing more confusion than you intended.

Score: 8

6/7

ANSWER 3

A specialized IT consultancy focused on implementation, consulting and managed services for enterprise search systems, search-based applications, and Big Data analytics. Founded and headquartered in [local jurisdiction], we have more than 500 customers and employ 140 people, making us the leading company of our kind, worldwide.

What works?
The narrow "enterprise search" focus at least sounds unique. It sounds like a big firm — I think that's a big differentiator.

What needs improvement?
It looks like we've got a "big data analytics" buzzword and a credibility-destroying unfounded claim, "leading company of our kind, worldwide" — "500 customers and employ 140 people" sounds awesome by itself. Why compromise this by saying "I'm King of the World," too? As I told my son the other day, "If anyone had to tell you they are awesome, they are probably not awesome."

Score: I would give them an 8 without those extra things, but because it's in there, a 6 or 7.

PRACTICE MAKES PERFECT

It would seem only fair that our own expert, Everclear's Shaw, would take a turn in the hot seat. We asked him to analyze his own company description and grade it based on the standards he used to evaluate the other companies. Everclear recently underwent a rebranding effort, proving that just because you're a pro, it doesn't mean you're guaranteed a slam dunk.

Old name: CreatiVerge **New name:** Everclear

Why the change? CreatiVerge was too difficult to pronounce, too hard to spell and too focused on our inputs (creativity). Everclear focused more on our outputs (clarity) and our competitive advantage (simplifying complex value propositions to help tech companies sell to large businesses/enterprises).

Old description: Strategic communications and brand development firm for small- to mid-sized tech companies to build brand consistency, establish thought leadership, increase lead generation and expand internal resources.

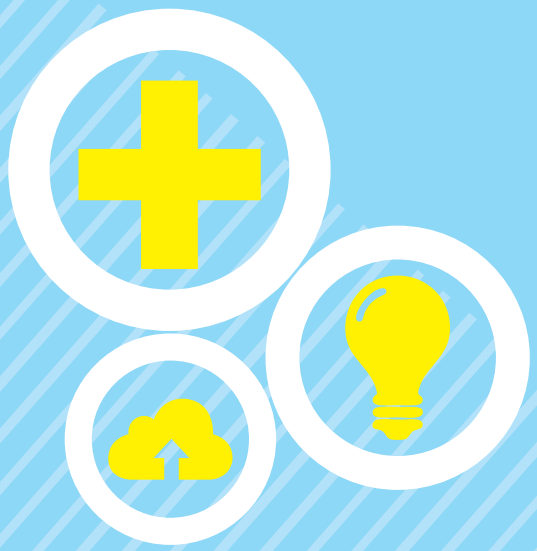
New description: B2B marketing agency that helps venture-backed tech companies grow faster. For more than 12 years, Everclear has worked with serial entrepreneurs, investors and their portfolio companies to reposition early-stage tech companies, develop breakthrough brand strategies and execute high-growth sales and marketing programs.

What didn't work: While the old positioning statement still followed a basic formula, the category was too broad, the type of customer wasn't targeted enough and the benefits weren't compelling to that audience.

What works now: We believe the new positioning statement is much stronger because it's more targeted and specific to the type of customers we are trying to attract, as well as their objectives.

Score for the old statement: 5 or a 6

Score for the new statement: 9



BUZZWORD OR BUST?

When someone identifies a need in the marketplace, a new category of technology pops up to meet it. With each new category, dollar investments follow. Startups, which are constantly and mightily competing for those dollars, will oftentimes peg any new technology solution category to their own company descriptions in hopes of drawing those investors. The result? The jargon gets spread far and wide, all the while meaning less and less to what each company actually does. Here are some of Shaw's biggest tech buzzword offenders, and what they actually mean.

BIG DATA ANALYTICS

This make it easier for companies to make sense out of vast reams of information. Instead of all that data being trapped in department or database silos or floating freely in the Internet, companies are now able to compile and interpret it. Think of it, financial records, ZIP codes, voting patterns — all pulled together to help forecast a company's performance.

GAMIFICATION

This is just a fancy-sounding word for providing incentives to anyone who used your mobile app, completed a profile or promoted your technology to their friends. Period. If you knew this, then you've just earned a gold star for unlocking the Buzzword Badge. One more and you'll go platinum.

THE INTERNET OF THINGS

Yes, this is a thing. By adding Wi-Fi and sensors to everyday objects around us, from watches to washers to heart implants, companies can make devices talk to each other over the Internet and signal each other to do things. Imagine the lights and air-conditioner turning on at your house when you pull into your driveway and open your garage.

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