

Business plan

Go-to-market strategy & Marketing Plan



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Agenda.

- Go-to-market strategy
- Entrepreneurial Marketing vs traditional marketing
- Elements of a start-ups marketing plan

Go-to-market Strategy

What is a go-to-market strategy

- Short-term, step-by-step map of how a company will launch a specific product, service, expansion or venture;
- **Based on:**
 - Data gathered in the market analysis (customer profile, market size and accessibility, and competitors analysis)
 - Market trends
- **Useful to:**
 - Identify bottlenecks and potential problems;
 - Identify resources you may need;
 - Communication tool;
 - Measure progress along the way;
- **It should include:**
 - Marketing strategy
 - Distribution strategy
 - Customer relationship management

■ Go-to-market strategy

Marketing Strategy	Distribution Strategy	Customer Relationship
Important elements <ul style="list-style-type: none">▪ Value proposition▪ Cost and price policy▪ Communication▪ Branding▪ Positioning	Important elements <ul style="list-style-type: none">▪ Purchase & Delivery Channels▪ Evaluation Channel▪ Channel Selection	Important elements <ul style="list-style-type: none">▪ Relationship Marketing▪ CRM (Customer Relationship Management)

Marketing Strategy

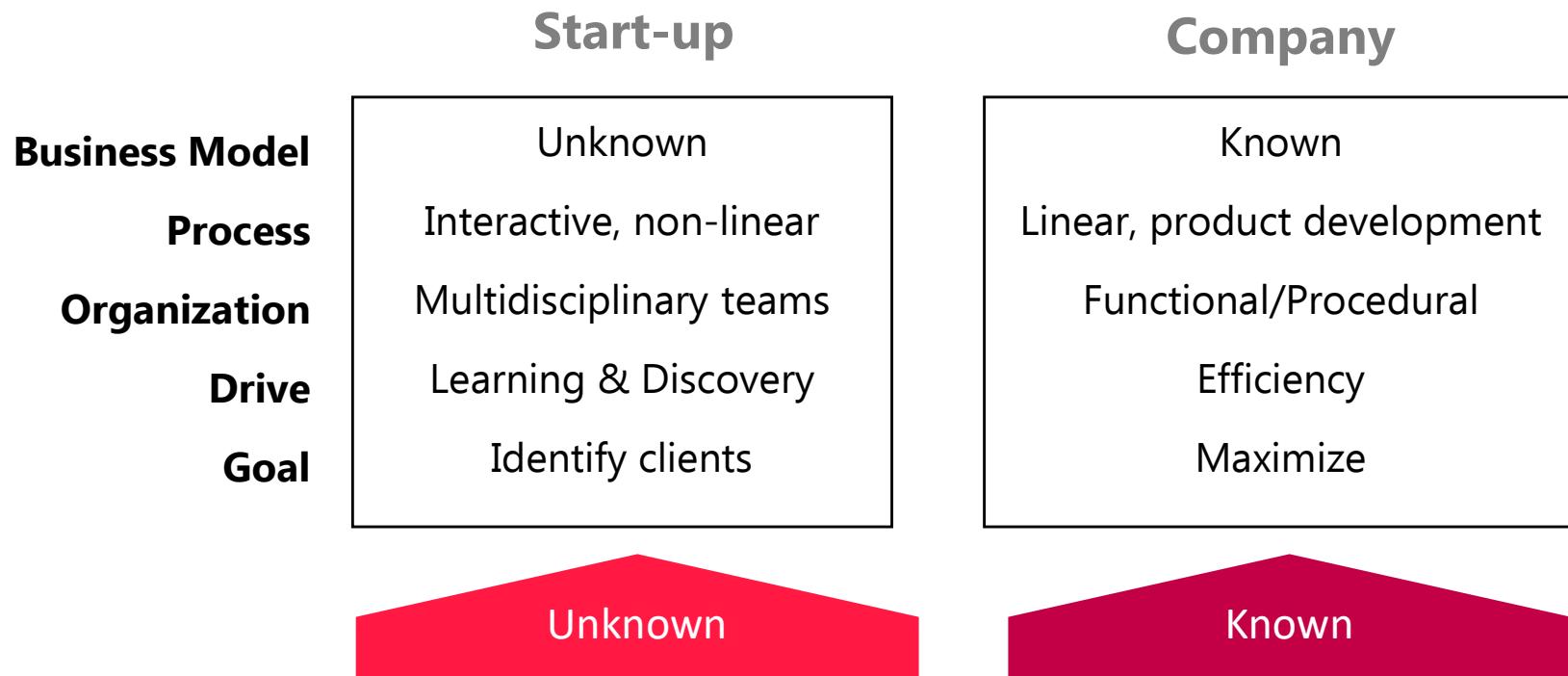
■ Why is start-up marketing different?

Marketing is:

"(...) the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (AMA, 2017)



■ Why is start-up marketing different?



■ Why is start-up marketing different?

Marketing Principles	Traditional Marketing	Entrepreneurial Marketing
Strategic Orientation	Customer oriented (market driven)	Innovation oriented (idea driven)
Strategy	Top-down approach: segmentation, targeting, positioning	Bottom-up approach: targeting a limited base of customers, further expansion
Methods	Market Mix (4/7 P's): Product(the good or service), the price (what the consumer pays), the place (the location where a product is marketed), and promotion (the advertising)	Interactive marketing methods, word-of-mouth, direct selling, referrals
Market Intelligence	Formalised research and intelligence systems	Informal networking and information gathering

Source: Ionita, D. (2012) . Entrepreneurial Marketing: a new approach for challenging times, Management & Marketing Challenges for the Knowledge Society, 7 (1), pp. 131-150.

Components of Start-up marketing

Entrepreneurial Marketing is the “proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation.” (Morris, Schindehutte et al., 2002, p. 5)

“... we propose marketing to be a fully integrated element of the entrepreneurial process. From this viewpoint, the image of the market that entrepreneurs act upon is not a battlefield consisting of products and services competing on objectively based differences. Rather it is a dialogue where expectations are being created and recreated, based on the play of signs, symbols and images.” (Gaddefors and Anderson, 2008, p. 33)

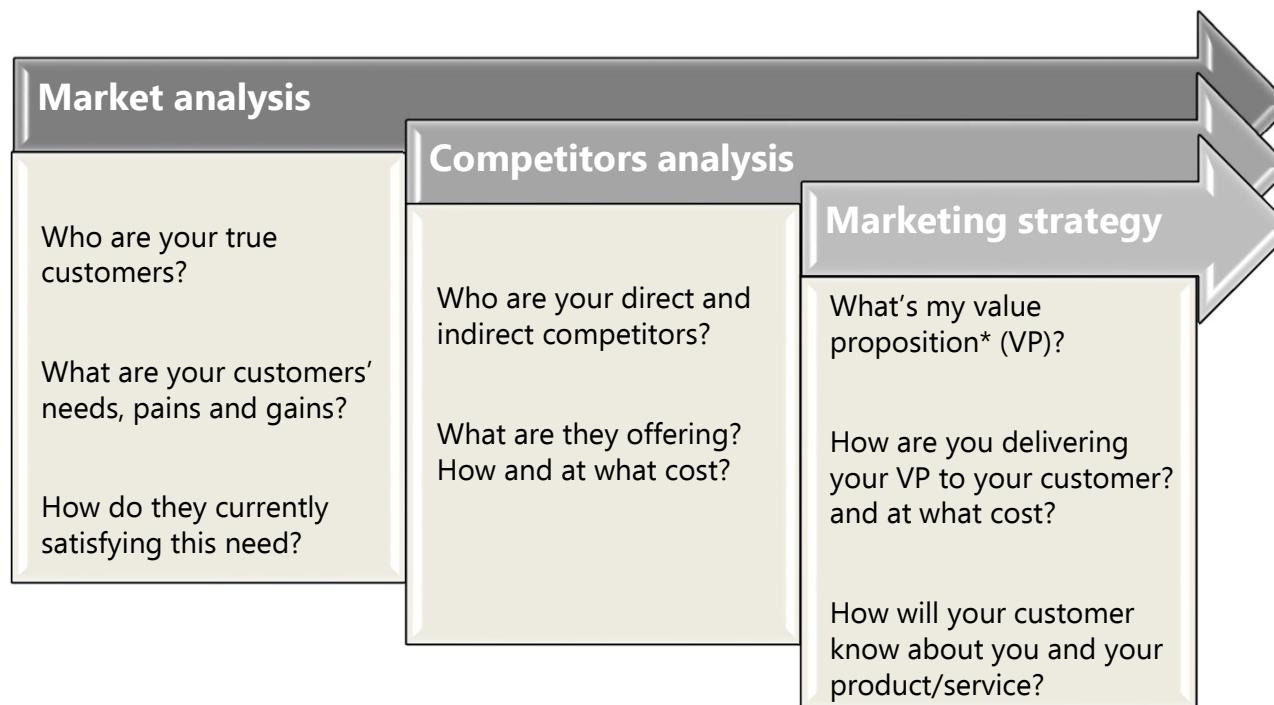
References:

- Morris, M.H., Schindehutte, M. and LaForge, R.W. (2002), “Entrepreneurial marketing: a construct for integrating emerging entrepreneurship and marketing perspectives”, *Journal of Marketing Theory and Practice*, Vol. 10, No. 4, pp. 1-19
- Gaddefors, J. and Anderson, A.R. (2008), “Market creation: the epitome of entrepreneurial marketing practices”, *Journal of Research in Marketing and Entrepreneurship*, Vol. 10, No. 1, pp. 19-39

■ Assumptions of Start-up marketing

1

Based on a bottom-up approach: entrepreneurs take benefit from the close communication with customers to understand customer's needs, spread the word, build awareness and get customers!



* A *value proposition* refers to a business or marketing statement that summarizes why a consumer should buy a product or use a service

■ Assumptions of Start-up marketing

2

Resource effective: start-ups are usually tight on resources, both financial and human, which emphasizes the need to be creative and flexible;

Traditional marketing 4 Ps



Entrepreneurial marketing 4 Cs



Lauterborn, B (1990). "New Marketing Litany: Four Ps Passé: C-Words Take Over". Advertising Age. 61 (41): 26.

■ Components of Start-up marketing

2

Resource effective: start-ups are usually tight on resources, both financial and human, which emphasizes the need to be creative and flexible;

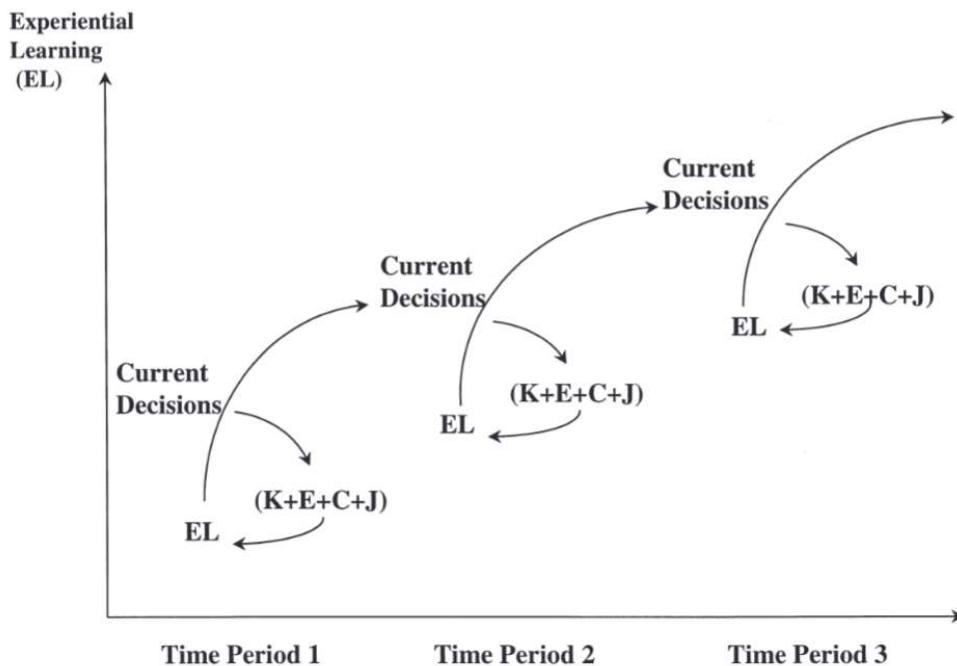
4 P's of marketing

Product	What is it? How high-quality is it? What makes it unique?	Customer wants and needs	What does the customer want or need? How does our research support that? How can we serve the want or need?
Price	What will be the product's price? What will our profit margin be? How does the price relate to similar products on the market?	Cost	What is the product's price? What are the additional financial costs? What are the costs to customers in terms of time and effort?
Place	Where does the customer buy our products/services?	Convenience	How will customers want to buy/order the product? How should the product be delivered? How will we ensure satisfactory customer experience?
Promotion	Which touchpoints will we use to communicate the product offer to customers (e.g. social, direct mail)? What will our messaging be?	Communication	How will we communicate with the customer at every touch point (advertising, social, customer service, etc.)? How will we use C2B inputs to optimise B2C comms?

■ Assumption of Start-up marketing

3

Experiential learning approach: the creation of a start-up is based on a trial and error process, because target market is unknown. Thus, the ability of learning from mistakes is crucial in order to make better decisions.

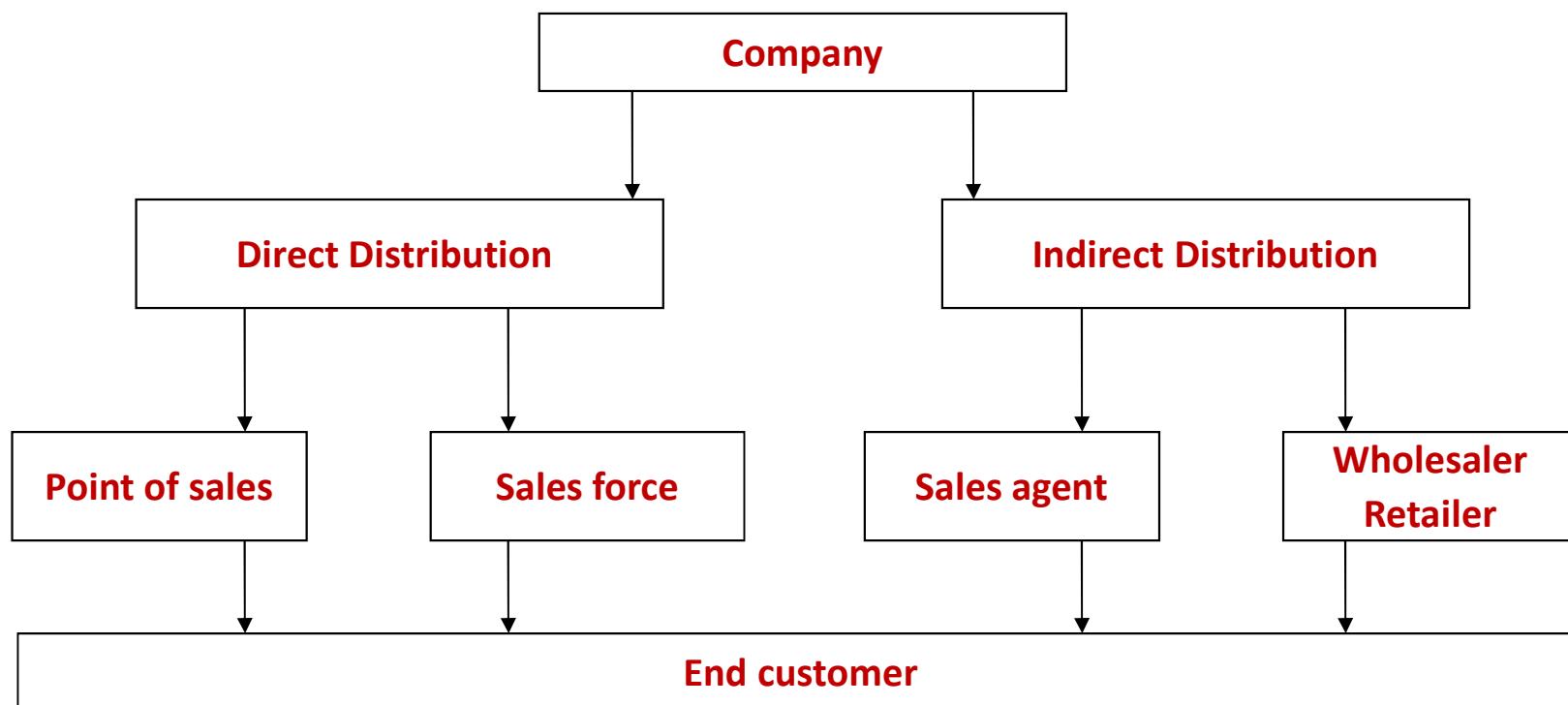


K: Knowledge; E: Experience; C: Communication; J: Judgment

Distribution Strategy

■ Distribution Channels

- Refers to providing the product at a place which is convenient for consumers/ customers to access.



Direct versus Indirect Distribution

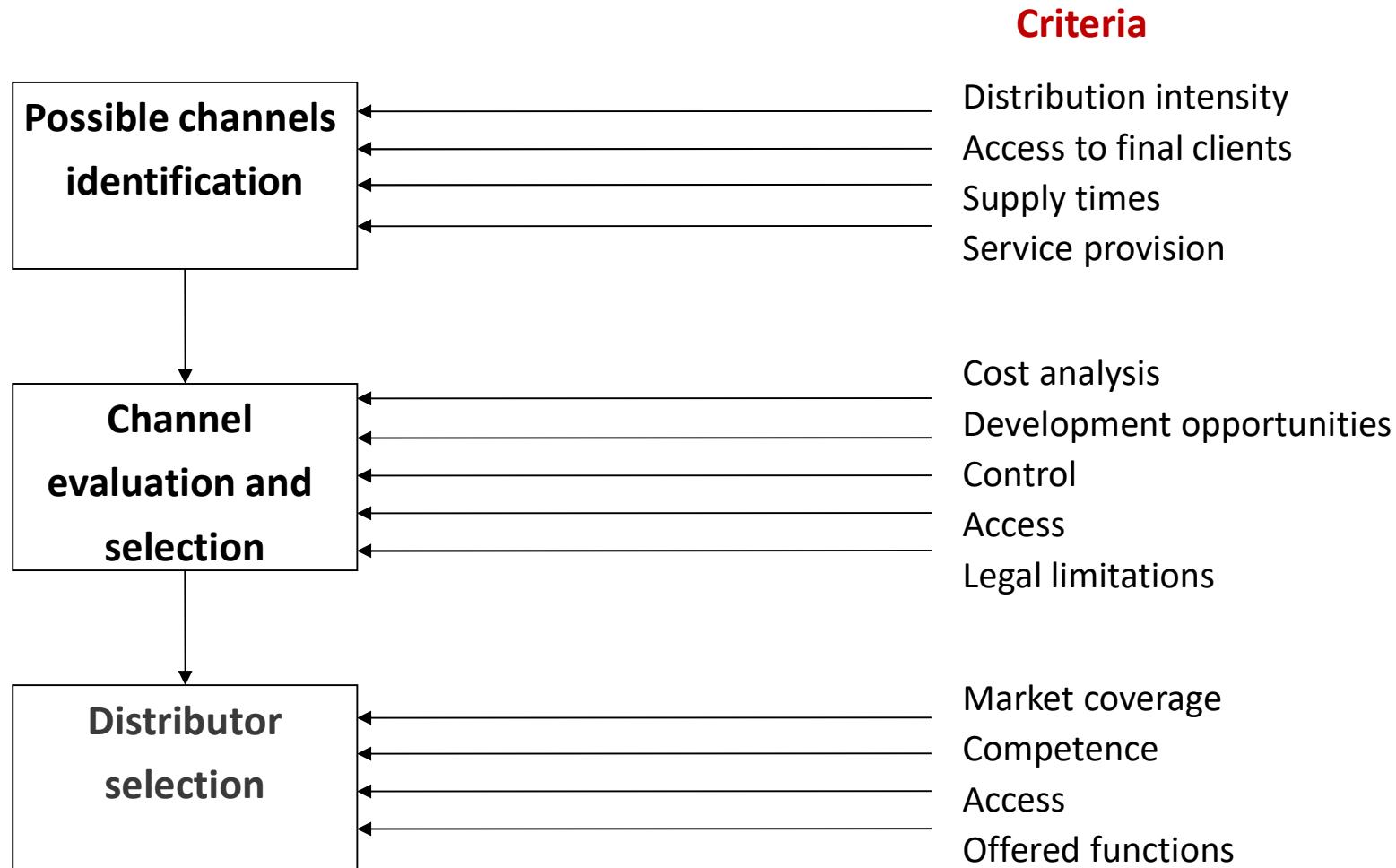
Advantages of indirect distribution

- Higher distribution rate
- Lower marketing costs
- Lower capital commitment
- Distribution – Know how
- Business relations

Advantages of direct distribution

- No assets division and repartition conflict
- Control of the prices
- Control of advertisement
- Customer orientation
- Transfer of product information

■ Selection of Distribution Channel



Customer Relationship Strategy

Customer relationship: why it's important?

- Businesses that perceive the importance of building customer relationships develop an emotional connection towards them and retain with them for a long time;
- Types of customer relationship:
 - **Personal assistance:** a customer will communicate with a real company representative for help in the sales process and afterwards. Communication may be at the point of sale, through call centers, by e-mail, blogs, social media or other means;
 - **Self-service:** company maintains no direct relationship with customers, but provides the means for customers to help themselves;
 - **Automated services:** this relationship mixes customer self-service with automated processes. Automated services can recognize individual customers and their characteristics (e.g. Amazon)
 - **Communities:** company creates an online community that allows users to exchange knowledge and solve common problems;
 - **Co-creation:** companies encourage customers to give feedback in order to improve product quality and performance

Strategy Formulation

■ Formulation of a start-up marketing strategy

1. Objectives

- Define your marketing objectives;

2. Your approach to the 4Cs of marketing

- Write a value proposition;
- Identify the cost of your product and service;
- Define the best channels to reach and influence your target audience;
- For each channel, define the best communication activities to raise awareness;

3. Your route to market

- List range of actions that will be required to meet these objectives;
- List the metrics by which the objective will be measured;
- Set out a budget requirement;
- Identify the timeframe



**Thank you
for your attention!**

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