



Santa Clara
UNIVERSITY

ENGR 176

Tech Mktg Strategy: Positioning & Messaging



Mark Weiner

MBA 1992 / Adjunct Faculty / Board of Regents

ENGR 176: What You'll Get...

- Quick overview of marketing
- How to practically apply “S-T-P”
 - What it is, and why it matters
- Learn strategic messaging...and best practices
 - Positioning / messaging documents, BDM / TDM focus, etc.
- You'll be getting
 - Real world examples + experience
 - Experienced guest lecturer
 - Team project & group feedback
- **Philosophy: practical / open / 2-way discussions**

Your Instructor

11 startups to date



and some big ones too



...most important



Grading Structure

Assignment	Weighting	Due Date
In-class team exercises	20% (2 x 10%)	Occurs within classes 1 (Jan 14) & 2 (Jan 21)
Team project	40%	Class 4 – Feb 4
Individual project	40%	Wed Feb 18

Class #1 – “S-T-P”

- Marketing overview – what *IS* marketing??
- Segmentation
 - What...why...how...example
- Target marketing
 - How...levels...example
- Positioning & competitive
 - Positioning strategy – getting it right & being sure
 - Identifying & picking competitive advantages
 - Defining new markets – when, if & why...

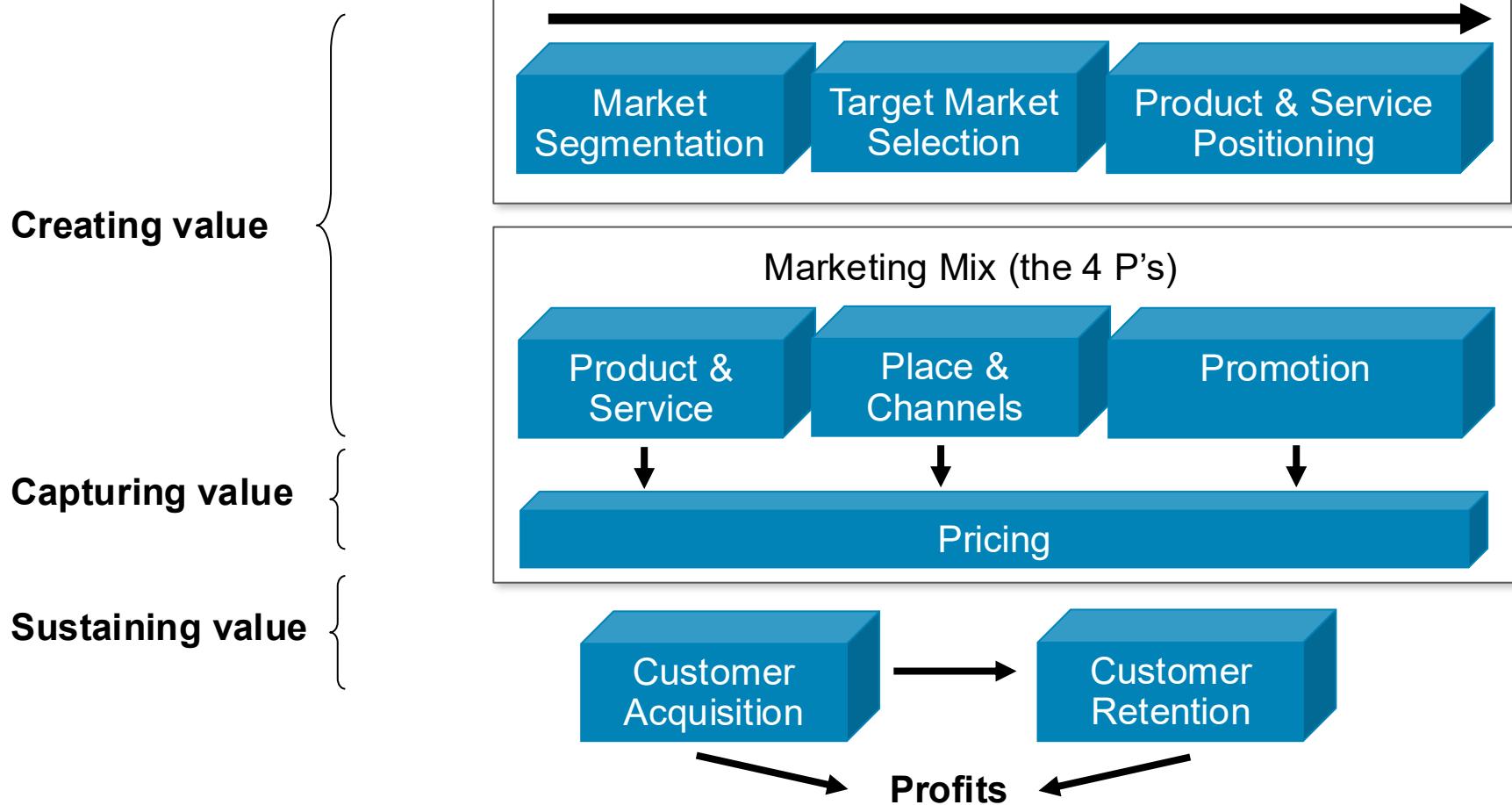
Why Strategic Positioning & Messaging Is Important



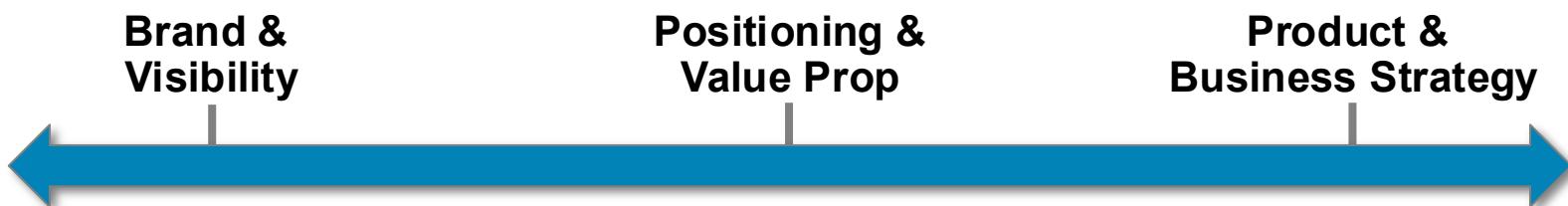
What *IS* Marketing??

Marketing analysis (the 5 C's)

Customers Company Competitors Collaborators Context

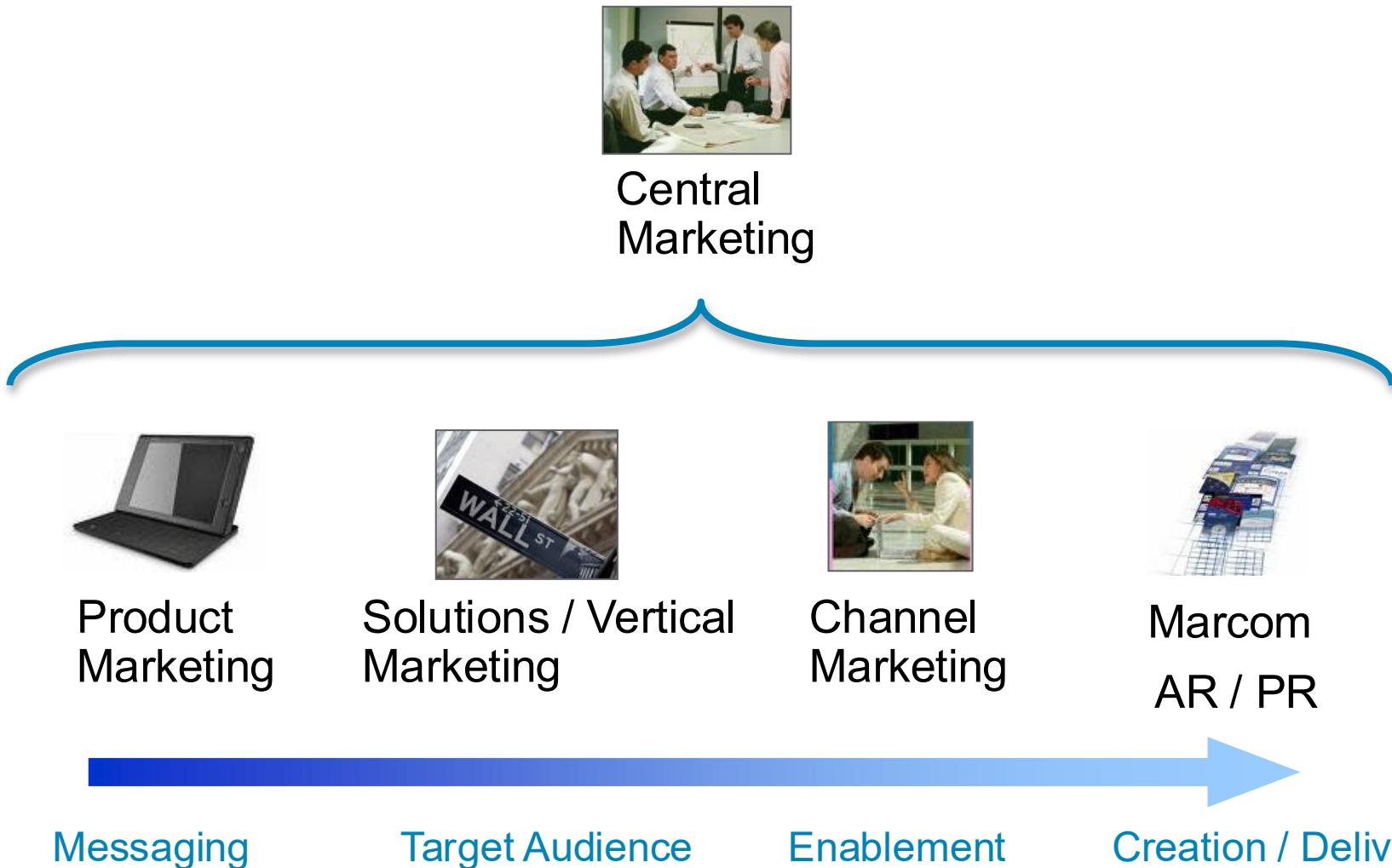


Wide Range of Responsibilities

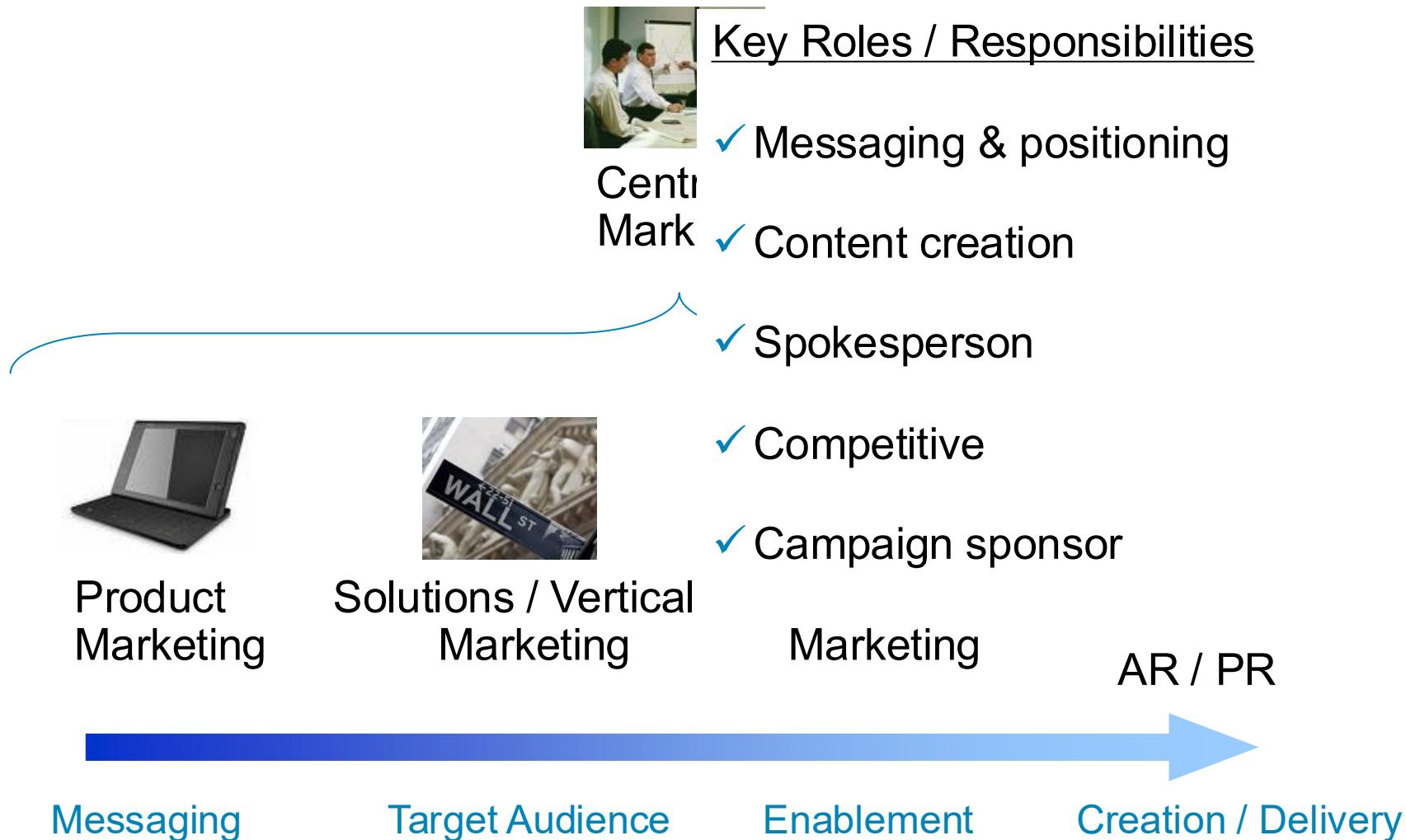


- Product direction & lifecycle
- Market research
- STP / value prop / messaging
- Content – horizontal/vertical/solution
- Brand
- Communications (PR/AR/social/customer/internal)
- Lead generation / sales cycle optimization

Tech Product Marketing



Tech Product Marketing – What Is It?



...vs. Product Mgmt

Key Roles / Responsibilities

- ✓ Product definition
- ✓ Customer + market needs
- ✓ Feature/timing trade-offs
- ✓ Product lifecycle management

Shared Roles: competitive, GTM, sales enablement, spokesperson, partners

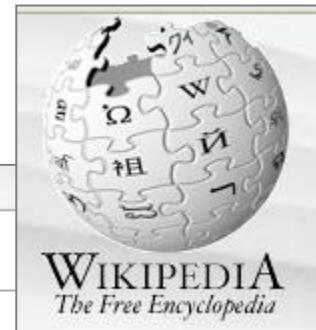
What Is “S-T-P”



Market Segmentation – What Is It?

From Wikipedia, the free encyclopedia
(Redirected from [Market segmentation](#))

A **market segment** is a group of people or organizations sharing one or more characteristics that cause them to have similar product and/or service needs. A true market segment meets all of the following criteria: it is distinct from other segments (different segments have different needs), it is homogeneous within the segment (exhibits common needs); it responds similarly to a market stimulus, and it can be reached by a market intervention. The term is also used when consumers with identical product and/or service needs are divided up into groups so they can be charged different amounts. These can broadly be viewed as 'positive' and 'negative' applications of the same idea, splitting up the market into smaller groups.



Positioning

[edit]

Once a market segment has been identified (via segmentation), and targeted (in which the viability of servicing the market intended), the segment is then subject to positioning. Positioning involves ascertaining how a product or a company is perceived in the minds of consumers.

This part of the segmentation process consists of drawing up a perceptual map, which highlights rival goods within one's industry according to perceived quality and price. After the perceptual map has been devised, a firm would consider the marketing communications mix best suited to the product in question.

Market Segmentation @Work: Consumer



Sub-segmentation: same characteristics, for kids

Broad range of buyers,
moderate to strong
buying capacity

BANANA REPUBLIC

Higher income, adult+, seeking quality



Value-focused, young adult and family

Market Segmentation @Work: Technology

HubSpot	
<input type="radio"/>	Free
	\$0/month
<input type="radio"/>	Starter
	\$50/month
<input type="radio"/>	Basic
	Starting at \$200/month Billed annually
<input checked="" type="radio"/>	Professional
	Starting at \$800/month Billed annually
<input type="radio"/>	Enterprise
	Starting at \$2,400/month Billed annually

Marketing Professional

For more experienced marketers and growing marketing teams. campaigns at scale with automation.

FEATURES

- ✓ Lead analytics dashboard
- ✓ Social media
- ✓ Lead flows
- ✓ Email marketing
- ✓ Collected forms
- ✓ Calls-to-action
- ✓ Contact activity
- ✓ Landing pages
- ✓ Contact management
- ✓ Analytics dashboards
- ✓ Contact & company insights
- ✓ Standard SSL certificate
- Subdomain availability
- ✓ HubSpot branding removed
- ✓ Marketing automation
- ✓ Custom form fields

Market Segmentation Variables

Consumer



Geographic

Region, nations, states, cities, market density, climate

Demographic

Age, gender, income, family size and life cycle

Psychographic

Age, gender, income, family size, lifestyle, personality

Behavioral

Occasions, benefits sought, user status, usage rate, loyalty

Market Segmentation Variables

B2B Tech



Geographic

Region, nations, states, cities, market density, development level

Company Size

Revenue, # employees, # locations, # by worker types

Industry or Vertical

e.g. Manufacturing vs. Government, Financial vs. Healthcare

Buying Patterns

Central vs. dept-level purchasing, CIO vs. Dir. vs. indiv., channel vs. direct, etc.

Requirements for Effective Segmentation

- **M**easurable

How big is the segment? # of users? Yearly spend?

- **A**ccessible

Can buyers be effectively reached & served?

- **S**ubstantial

Large & profitable enough to serve

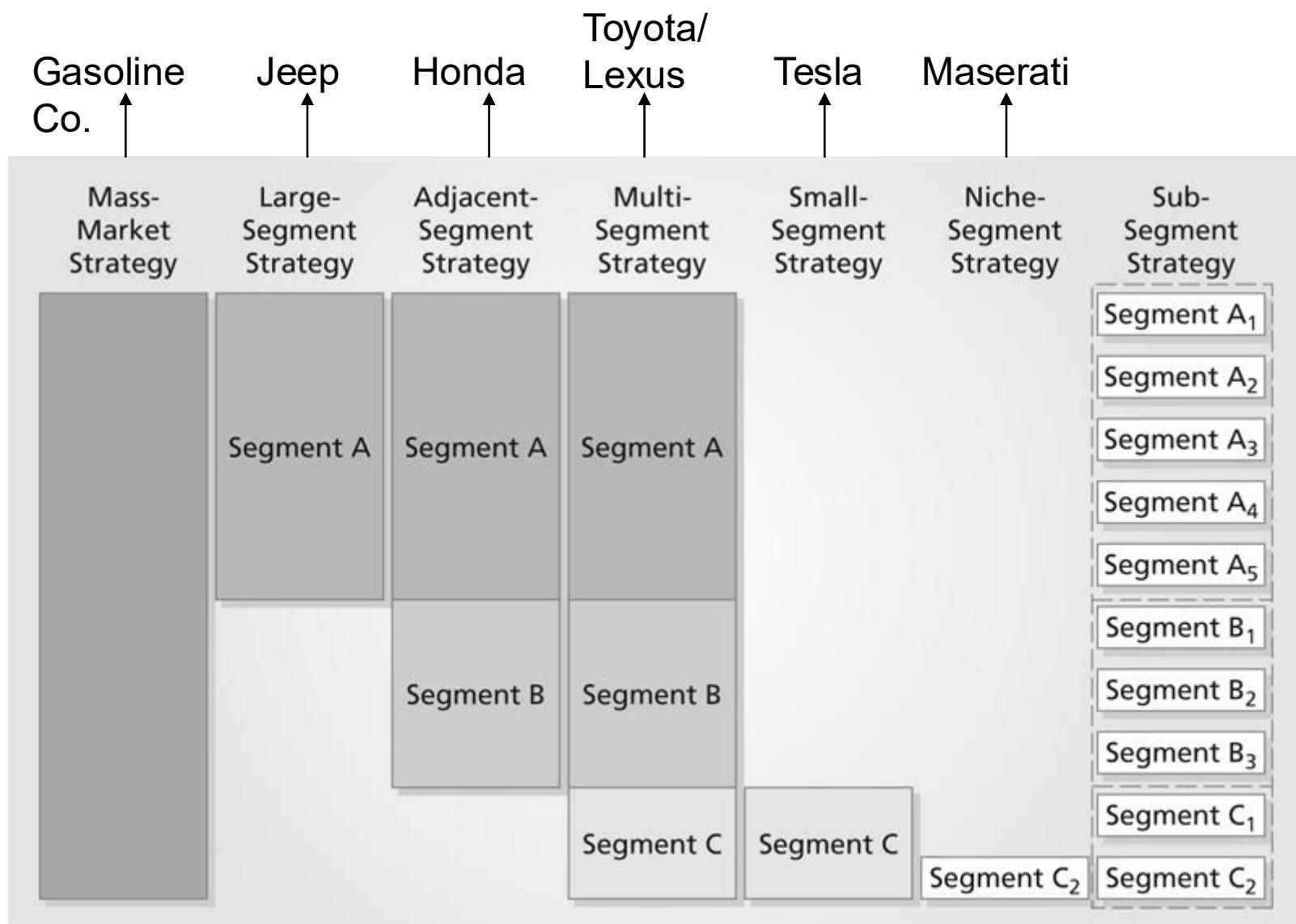
- **D**ifferentiable

Segments are truly different, and respond to diff. marketing mix

- **A**ctionable

Executable; programs can be developed for addressing

Market Segmentation Strategies



Tech Market Segmentation: Bad & Good

Customer size

Initial use case

Verticals



all

any

none specific



mid-market

Microsoft Outlook

legal, healthcare

Why Do? Replicate process, product, service, content

What Is “S-T-P”



Target Marketing

article discussion edit this page history

Target market

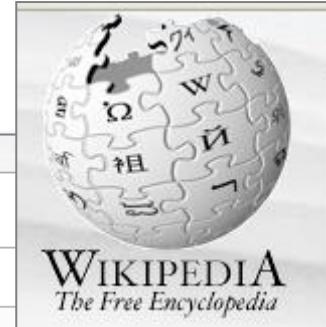
From Wikipedia, the free encyclopedia

This article does not cite any references or sources.
Please help improve this article by adding citations to reliable sources. Unsourced material may be challenged and removed. (August 2009)

A 'target market or target Audience' is the market segment which a particular product is marketed to. It is often defined by age, gender and/or socio-economic grouping. Market Targeting is the process in which intended actual markets are defined, analyzed and evaluated just before the final decision to enter is made.

Target marketing is a strategic approach to creating a marketing mix for a specific, targeted market segment and set of buyers (e.g. women age 22-35, or lawyers at firms with <50 employees)

This economics or finance-related article is a stub. You can help Wikipedia by expanding it.



What is the difference between market segmentation vs. target marketing?

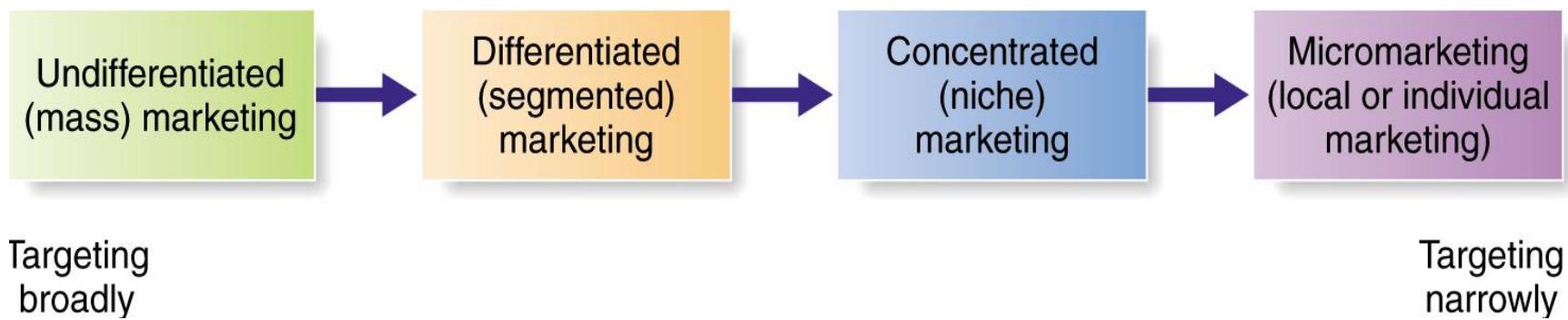
...picking the market segment(s) a particular product is marketed to

...creating the marketing mix for a specific, targeted market segment and set of buyers

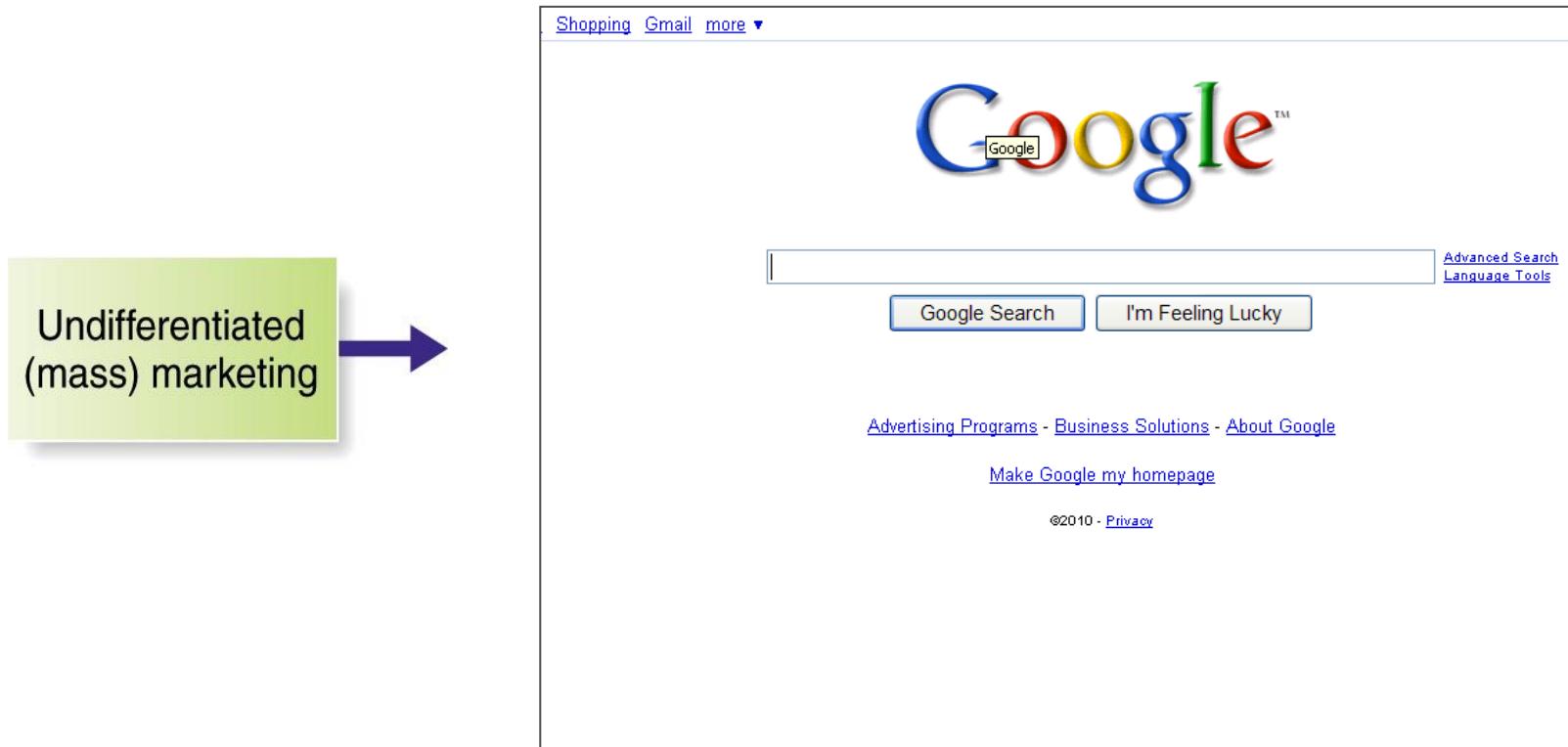
Target Marketing: Where to Start

- # of customers in segment / total spending potential
- Ability to reach customers in segment / \$\$ of doing so
- Intensity of existing competition in segment
- Level of satisfaction w/ competitors' current offerings
- Forecasted growth
- Potential profitability
- Barriers to entry

Target Marketing Strategies



Target Marketing: Mass Marketing

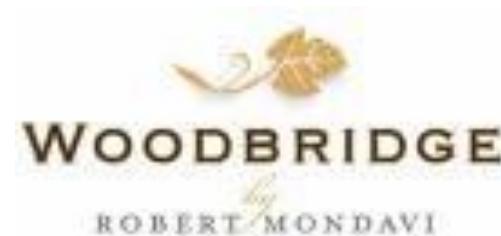


Benefit: easier to execute, less \$\$.

Challenge: limited appeal, fewer hooks.

Target Marketing: Segmented Marketing

Differentiated
(segmented)
marketing



Benefit: stronger sales within segment, higher total sales.
Challenge: more expensive, resource & time intensive.

Target Marketing: Niche Marketing

Concentrated
(niche)
marketing



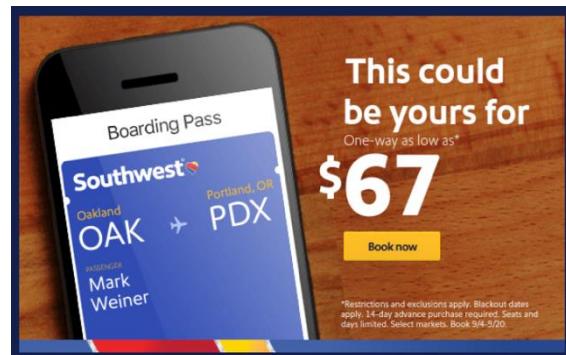
Benefit: can enable strong differentiation, resulting share and profit.

Challenge: higher risk due to segment dependence, competitive entries.

Target Marketing: Micro Marketing



Micromarketing
(local or individual
marketing)



Benefit: can enable very tight attraction, recurring revenues.

Challenge: difficult to create highly personalized offerings, bring to market.

Target Marketing: Tech Example

Mass Marketing

General IT benefits to customer
Employee productivity, 12 month ROI



Finance
Compliant, secure



Retail
Low cost, simple



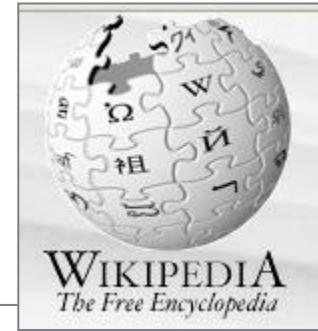
Healthcare
Multi-use, reliable

Segmented Marketing

What Is “S-T-P”



Positioning – What Is It?



Positioning

[edit]

Once a market segment has been identified (via segmentation), and targeted (in which the viability of servicing the market intended), the segment is then subject to positioning. Positioning involves ascertaining how a product or a company is perceived in the minds of consumers.

This part of the segmentation process consists of drawing up a perceptual map, which highlights rival goods within one's industry according to perceived quality and price. After the perceptual map has been devised, a firm would consider the marketing communications mix best suited to the product in question.

A product's position is the way the product is *defined by consumers* on important attributes – the place the product occupies in the consumers' minds relative to competing products.¹

1. Armstrong & Kotler, Marketing, 2007

Choosing a Positioning Strategy

Identifying Possible Competitive Advantages



Product



Services



Channels



People



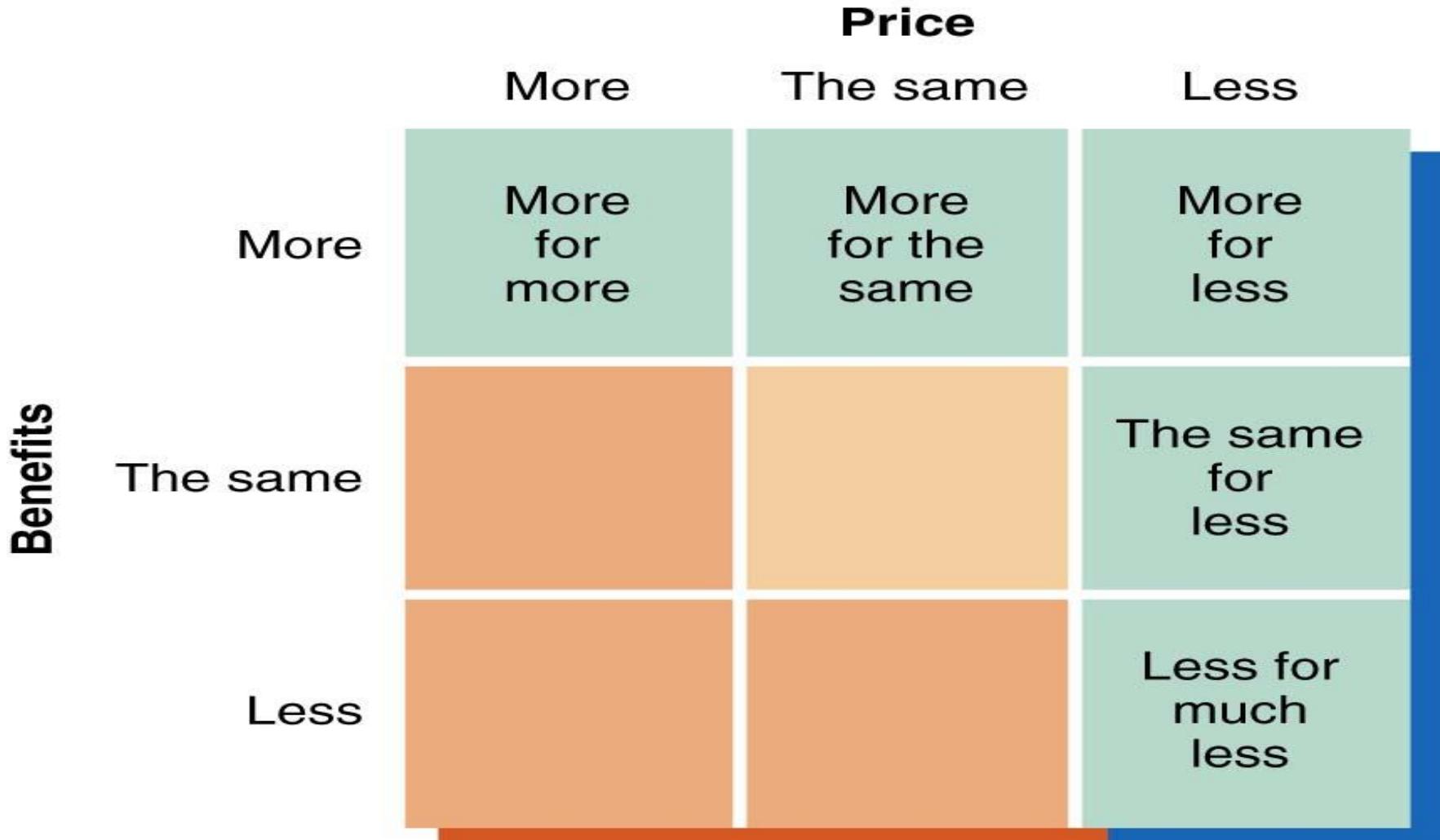
Brand image

Choosing a Positioning Strategy

...and Picking the Right Ones

- ✓ **Important:** to your buying centers
- ✓ **Distinctive:** competitors don't have / yours clearly better
- ✓ **Superior:** superior to other ways customers might get it
- ✓ **Communicable:** communicable & visible to buyers
- ✓ **Affordable 2x:** to buyers / for company to produce

Positioning Matrix



Cisco MDS 9148

More SAN Performance & Value for More Data Centers



Cisco MDS 9148

High performance + resiliency

- Industry-leading 8G FC port density
- Highly scalable, resilient and secure architecture (NX-OS)

Flexibility for growth & virtualization

- Pay-as-you-grow expandable: 16 → 32 → 48 ports
- Enables virtual machine-aware SANs

Lowest price with enterprise-class capabilities

- Most cost-effective switch in industry
- Full features + functionality @ no extra license costs

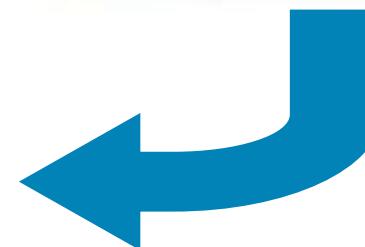
Positioning Matrix

More features

- Enterprise-level on mid-market platform

Lower price

- Less than competitor



		Price		
		More	The same	Less
Benefits	More	More for more	More for the same	More for less
	The same	Competitor		The same for less
	Less			Less for much less

Positioning Matrix

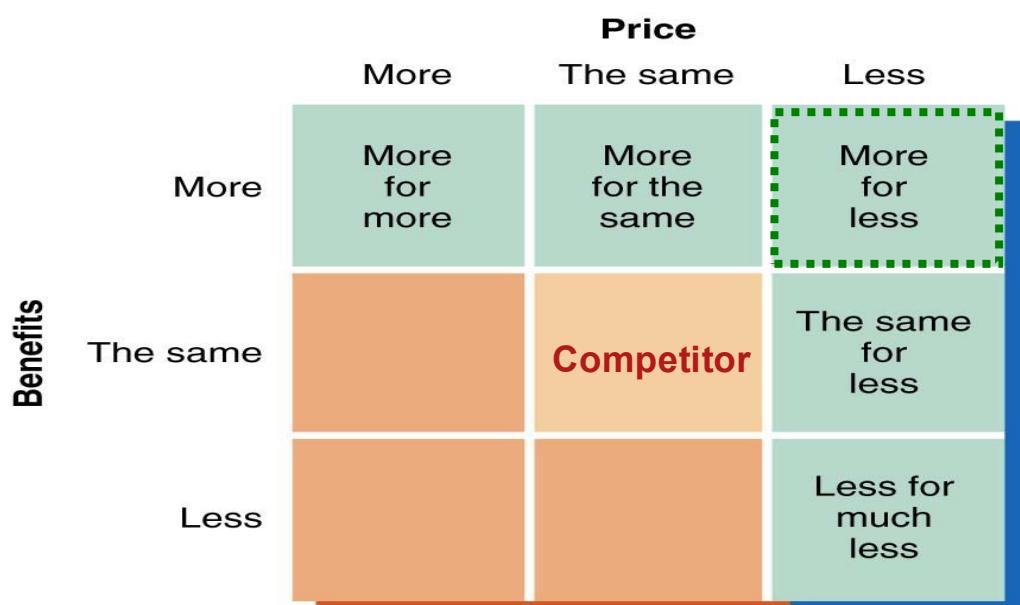
Lexus GS

- Performance, luxury, \$51K+



Kia Optima

- Value, capabilities, \$26K+



Toyota Yaris

- Basic capabilities, \$23K+



Positioning @Work: Consumer



All-purpose family detergent;
“tough on greasy stains”



Advanced enzymes to
fight tough stains; helps
get entire wash clean



Color expert; helps protect
fading, color transfer, wear



99 and 44/100ths
percent pure



Detergent with built-in
fabric softener



“Pediatrician recommended
and first choice of mothers”



“Cleans and freshens like sunshine”

The Positioning Statement



Datera Positioning & Messaging Document

December 2017

Positioning Statement

For: *cloud infrastructure, Internet content and e-commerce providers*

Who: *are trying to reduce the complexity and cost of their storage infrastructure, improve their business and service agility, and/or leverage hyper-scale cloud economics*

The: *Datera Data Services Platform*

Is: *a software-defined platform for data services*

That: *provides data lifecycle management including primary storage, backup, archives and disaster recovery [add more IT scope or value at high-level here]*

Unlike: *traditional enterprise SAN and NAS storage arrays, as well as various software-defined storage offerings*

It (primary Differentiators): *seamlessly integrates data control, management and scalable performance across the storage lifecycle – providing massive scalability without large ~~CapEx~~ for primary storage, automated backups via snapshots, and seamless archives.*

- ✓ Always develop first
- ✓ Key messaging for all content created
- ✓ Tool to get & maintain agreement

Hands-on Time: In-Class Exercise

- 1) Pick a company / product
- 2) Identify segment addressed & competitive advantage
- 3) Create a positioning statement from template



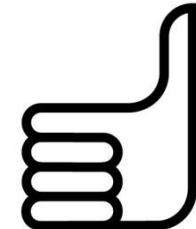
Positioning Template

- **For:** xxxxx
- **Who:** xxxxx
- **The:** xxxxx
- **Is:** xxxxx
- **That:** xxxxx
- **Unlike:** xxxxx
- **It (primary Differentiators):** xxxxx

Positioning x 2 – Defining New Markets

When to define a new market?

Early/very early in market development



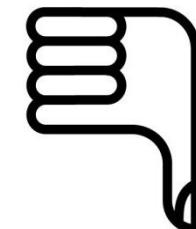
Market at key crossroads / lifecycle stage

You have strong, very differentiable advantage

Competitors have legacy technology / perception

When to NOT define a new market?

You're late to market



Market is strong / growing / not mature yet

You have “me too” product, tech. or benefits

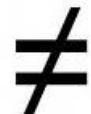
Real World Example

Late 2003 – the “load balancing” market

→ Define new market (or work with existing)



NETSCALER



CISCO SYSTEMS

f5

NORTEL
NETWORKS™

Decision supporting criteria:

- Larger players viewed as legacy technology
- Market dynamics = downswing, lack of innovation
- New technologies:
 - Offered expanded benefits
 - Addressed new buying centers
- Market def. was communicable + convertible to mktg plan

Real Business Results

The 2009 Handbook of Application Delivery

A Guide to Decision Making in Challenging Economic Times

By Dr. Jim Metzler

PLATINUM SPONSORS



Real World Example

Early 2016 – the “SD-WAN” market
→ Expand market or follow others



Decision supporting criteria:

- Other two “Vs” were viewed as defining SD-WAN
- Market dynamics = rapidly growing, very large market
- Versa technology:
 - Solved bigger problem/use case
 - Addressed core IT challenge with SD-WAN
- Market def. was communicable + convertible to mktg plan

Real Business Results

1/3/18

The next wave: SD-Branch

There's an even bigger trend happening in the industry now, too, that can be thought of as the next evolution beyond SD-WAN. It's all about creating a software-defined branch (SD-Branch), managing many network functions at the branch office via software. McBride says many customer sites have between six and 10 pieces of equipment to manage the network including routers, wireless access points, firewalls, unified threat management systems and WAN optimization. The purpose of SD-Branch is to consolidate all of these into a single system.

SD-WAN is seen as one of the applications that can be consolidated in an SD-Branch.

NETWORKWORLD

Real Business Results

1/23/18

SD-Branch: What it is and why you'll need it

Branch offices are filling up with specialized networking appliances, but SD-Branch promises to reduce the clutter and save money.



By [Lee Doyle](#)

Principal Analyst, Network World | JAN 23, 2018 3:00 AM PT

NETWORKWORLD

Real Business Results

DIGITAL JOURNAL Like 62K

NEWS TECH & SCIENCE SOCIAL MEDIA BUSINESS ENTERTAINMENT LIFE SPORTS

 Lots of companies sell marketing clouds.
Listrak delivers results.

Email | Market
CRM | Predictive

Press Release

[More press releases»](#)

Global Software-Defined Branch Market 2019 – Revenue Status & Forecast Report 2025: Cisco Systems, Cradlepoint, Etc.



This press release was originally distributed by [SBWire](#)

Maharashtra, India -- ([SBWIRE](#)) --
01/16/2019 -- Software-Defined Branch
Market

Software-defined branch or SD branch is an architectural solution that enables enterprises to effectively streamline their WAN and branch by combining the

networking and security functionalities into a consolidated software platform with several sets of IP services. The deployment of SD-branch eradicates the need for deploying multiple hardware appliances and related software packages. SD-branch provides a complete set of integrated networking solutions, including Ethernet, routing, SD-WAN, and Wi-Fi.

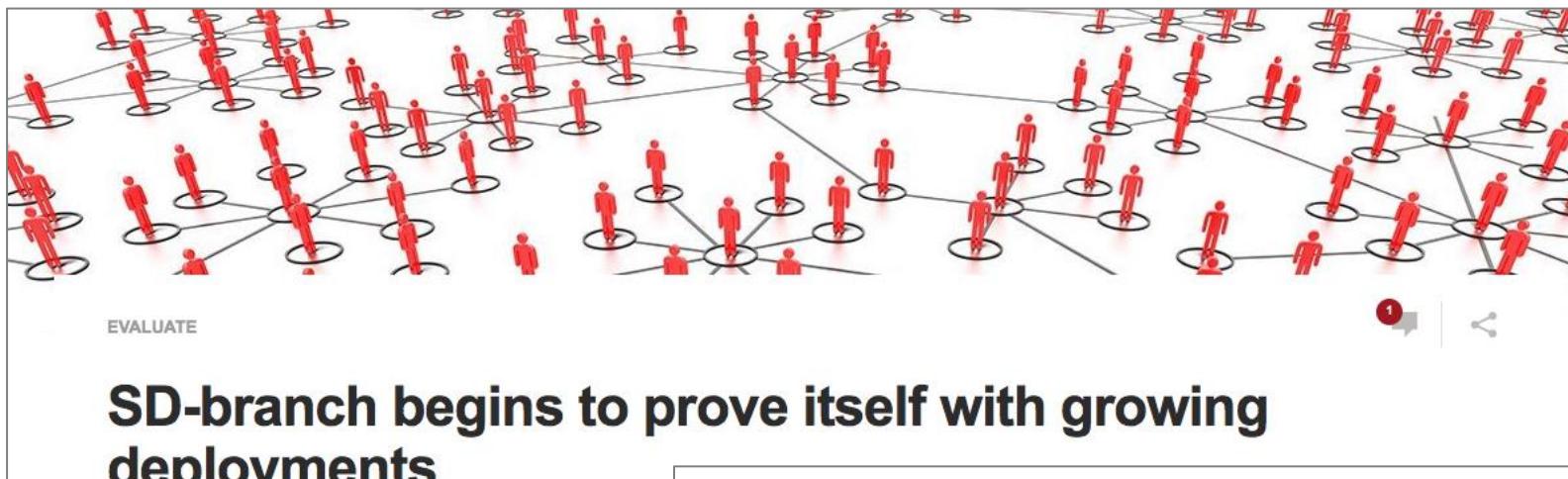
1/18/19



The key players covered in this study
Cisco Systems
Cradlepoint
Riverbed Technology
Versa Networks
Others

Real Business Results

1/21/19



The diagram shows a network of red human icons connected by a grid of lines, representing a growing network or cloud architecture. The icons are arranged in several clusters, with lines connecting them both within and between clusters. Some icons have dashed outlines, indicating they are not fully connected yet. The overall pattern suggests a complex, distributed system.

EVALUATE

1 | 

SD-branch begins to prove itself with growing deployments

As SD-branch technology continues to improve over time, it will become the standard architecture for branch networking.

Versa Networks. A leading financial services firm deployed products from Versa Networks at more than 300 retail branch locations for [hybrid SD-WAN](#), guest Wi-Fi and routing. The organization realized significant benefits in terms of faster time to deploy new locations, better network traffic visibility and improved centralized management.



Real World Example

A conversational AI assistant

Rather than positioning ChatGPT as:

- a search engine replacement, or
- an autonomous AI agent,

OpenAI framed it as:

"An AI system optimized for dialogue."

Key emphasis:

- Natural conversation
- Follow-up questions
- Clarifications and corrections
- Help with writing, explaining, brainstorming, and coding

This made it feel approachable and non-threatening, closer to a helpful assistant than a disruptive platform.



ChatGPT

ChatGPT: Optimizing Language Models for Dialogue

We've trained a model called ChatGPT which interacts in a conversational way. The dialogue format makes it possible for ChatGPT to answer followup questions, admit its mistakes, challenge incorrect premises, and reject inappropriate requests. ChatGPT is a sibling model to InstructGPT, which is trained to follow an instruction in a prompt and provide a detailed response.

Summary & Takeaways...

✓ Segmentation

Key to do – start-up or large company

Are your segments measurable, accessible, substantial?

Cannibalization is OK...for the right reasons + strategy

✓ Target Marketing

Which segments to select + create focused marketing for

Strategic decision = how wide or narrow to market to

✓ Positioning

Identifying competitive advantage

Focus on important, differentiated, executable elements

Leverage best practices (e.g. positioning docs, group process)

Group Project: Microsoft Tablet / OnePlus

- Scope:
 - Review case study
 - Meet among team members to discuss and develop:
 - Target audience or persona identification and logic
 - Positioning and messaging for each audience or persona using templates
 - Extra credit options
 - Presented during Class #4 by team members
 - Rest of class asks questions and rates each team's deliverables
- AI usage noted
- 40% of course grade

Questions?



Santa Clara
UNIVERSITY