



**Santa Clara**  
UNIVERSITY

**ENGR 176**

# Tech Mktg Strategy: Positioning & Messaging



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# 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<br>classes 1 (Jan 14)<br>& 2 (Jan 21) |
| Team project            | 40%           | Class 4 – Feb 4                                     |
| Individual project      | 40%           | Wed Feb 18  |

# Class #1 – “S-T-P”

- Marketing overview – what /S 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 /S Marketing??

## Marketing analysis (the 5 C's)

Customers

Company

Competitors

Collaborators

Context

Creating value

Market  
Segmentation

Target Market  
Selection

Product & Service  
Positioning

Capturing value

## Marketing Mix (the 4 P's)

Product &  
Service

Place &  
Channels

Promotion

Pricing

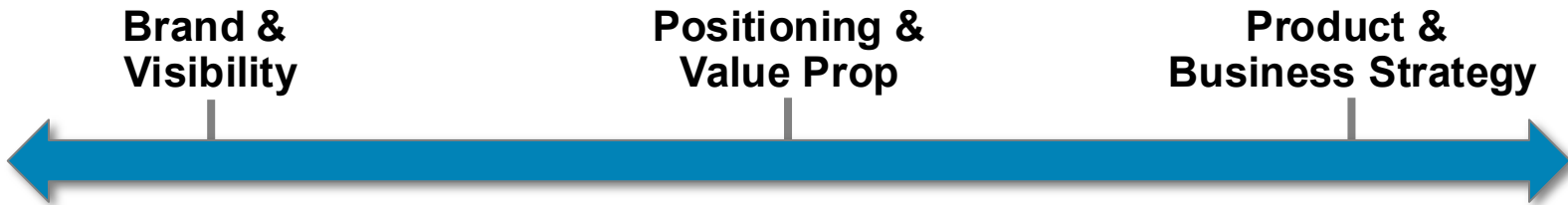
Sustaining value

Customer  
Acquisition

Customer  
Retention

Profits

# 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



Central  
Marketing



Product  
Marketing



Solutions / Vertical  
Marketing



Channel  
Marketing



Marcom  
AR / PR

Messaging

Target Audience

Enablement

Creation / Delivery

# Tech Product Marketing – What Is It?



Centr  
Mark

## Key Roles / Responsibilities

- ✓ Messaging & positioning
- ✓ Content creation
- ✓ Spokesperson
- ✓ Competitive
- ✓ Campaign sponsor



Product  
Marketing



Solutions / Vertical  
Marketing

Marketing

AR / PR

Messaging

Target Audience

Enablement

Creation / Delivery

# ...vs. Product Mgmt

## Key Roles / Responsibilities

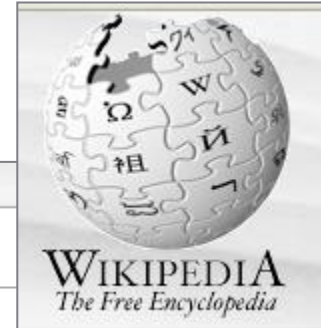
- ✓ Product definition
- ✓ Customer + market needs
- ✓ Feature/timing trade-offs
- ✓ Product lifecycle management

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

# What Is “S-T-P”



# Market Segmentation – What Is It?

[article](#)[discussion](#)[edit this page](#)[history](#)

## Market segment

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



Broad range of buyers,  
moderate to strong  
buying capacity



Sub-segmentation: same  
characteristics, for kids

BANANA REPUBLIC

Higher income, adult+, seeking quality



Value-focused, young adult and family

# Market Segmentation @Work: Technology

HubSpot

☐ **Free** \$0/month

☐ **Starter** \$50/month

☐ **Basic** Starting at \$200/month  
Billed annually

☒ **Professional** Starting at \$800/month  
Billed annually

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

# 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

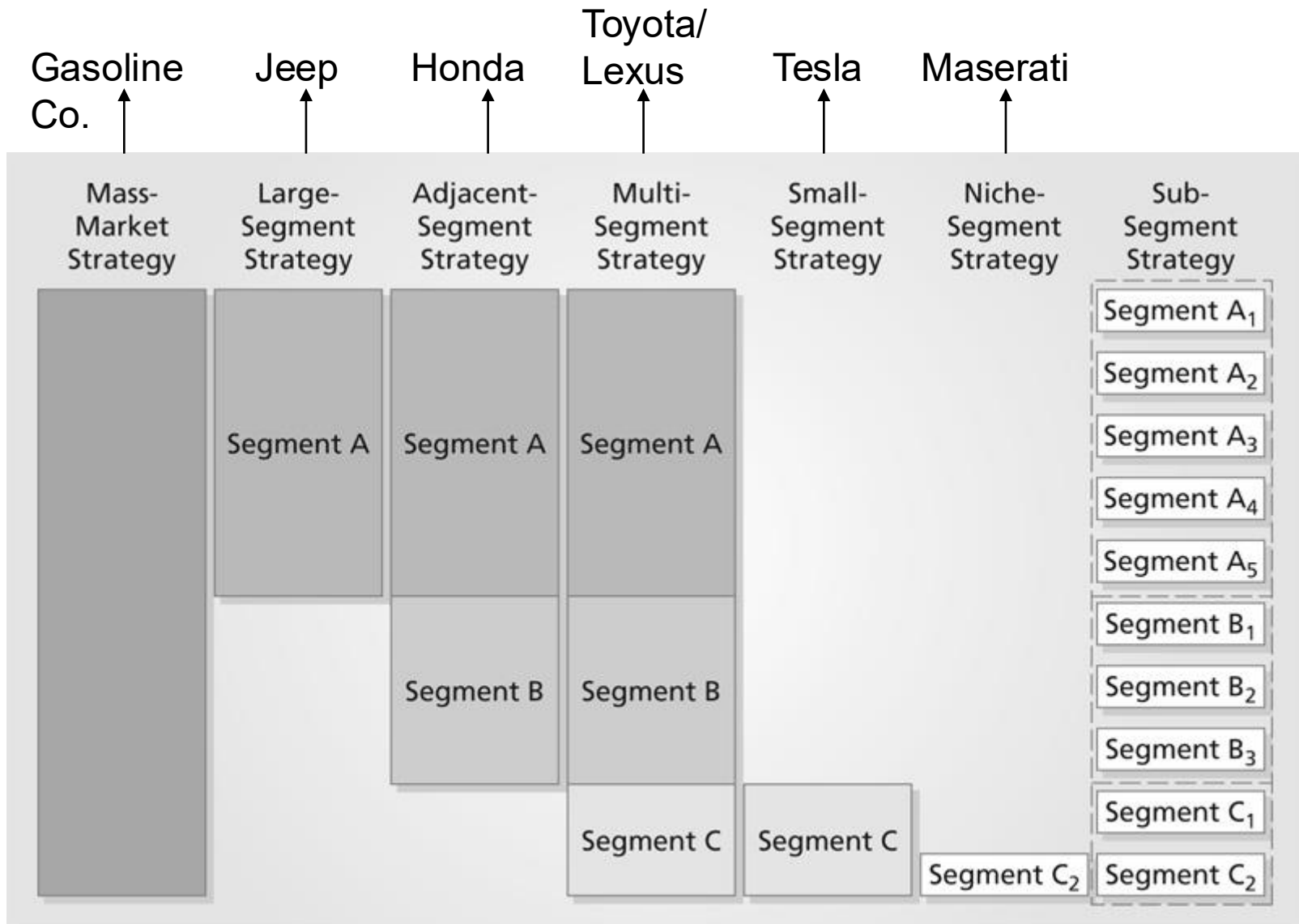
### **Buying Patterns**

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

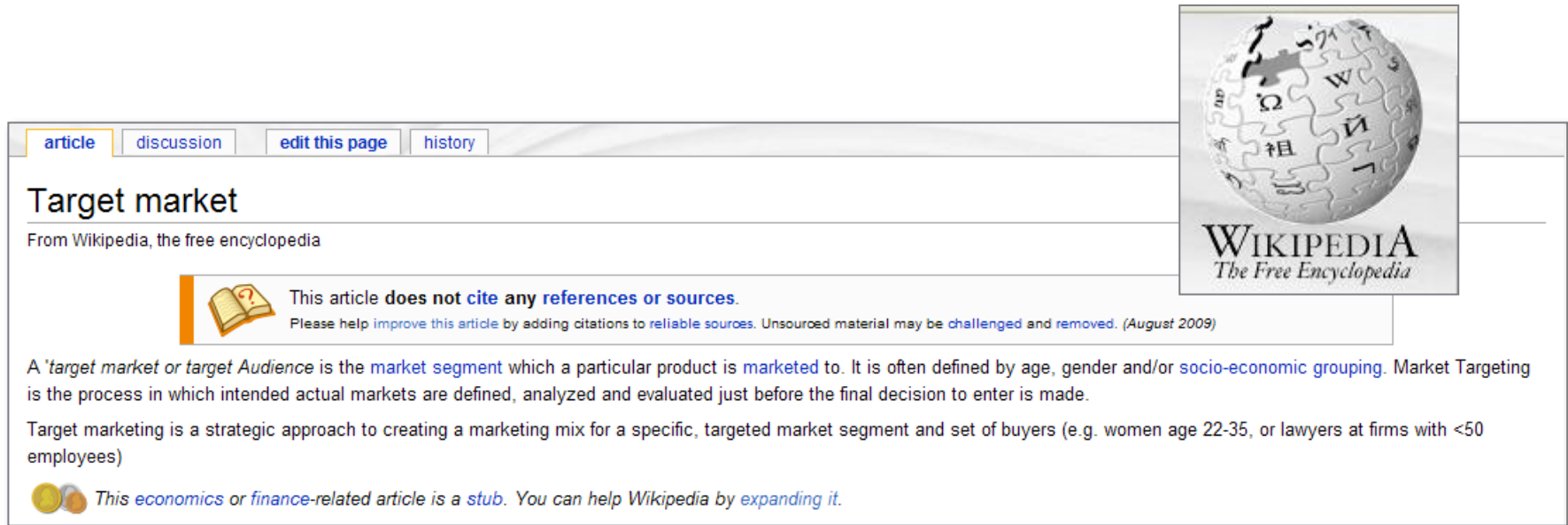
legal, healthcare

**Why Do? Replicate process, product, service, content**

# What Is “S-T-P”



# Target Marketing



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

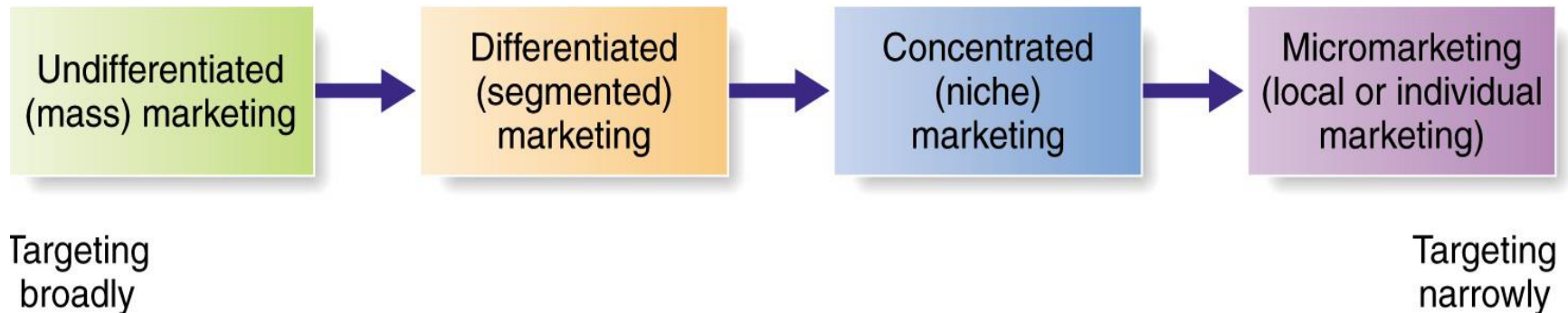
...picking the market segment(s) a particular product is marketed to

...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

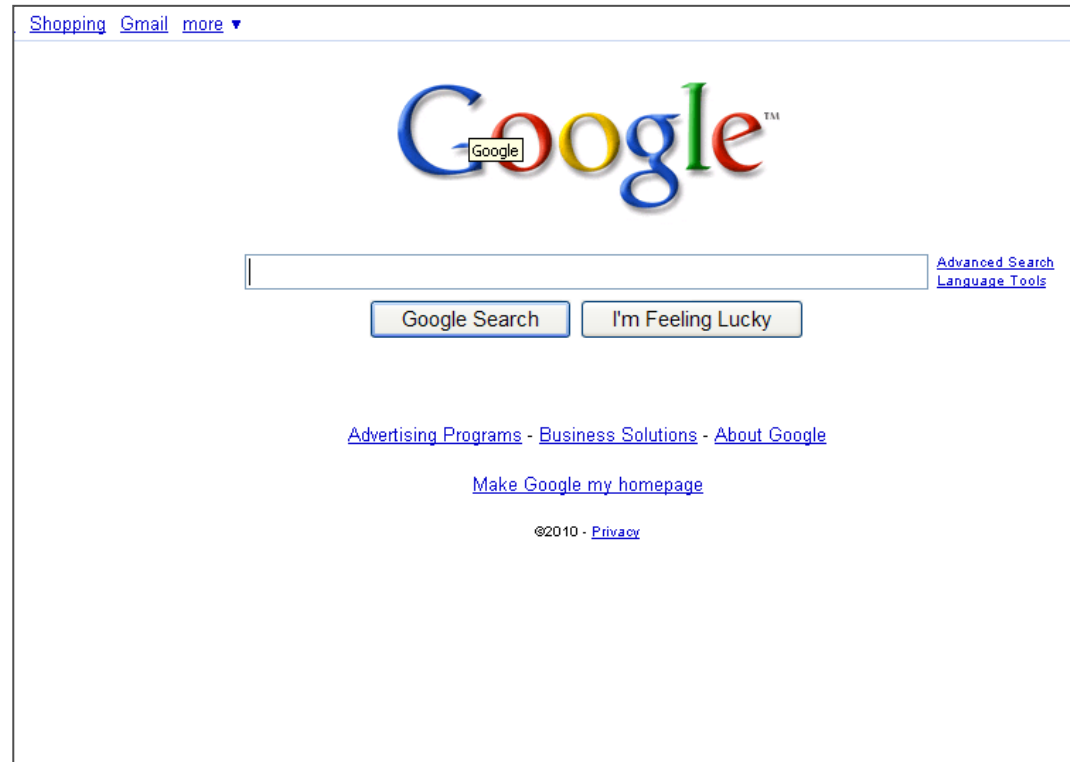
# Target Marketing Strategies





# Target Marketing: Mass Marketing

Undifferentiated  
(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



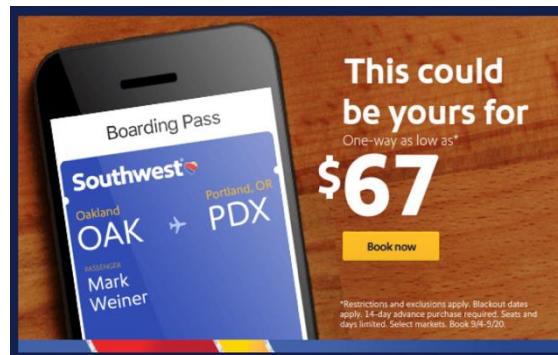
**Benefit:** can enable strong differentiation, resulting share and profit.

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

# Target Marketing: Micro Marketing

amazon.com

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



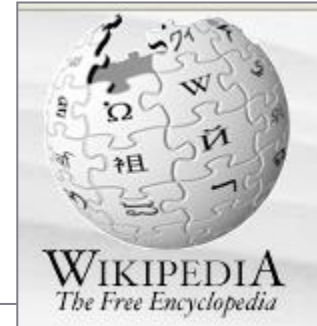
**Healthcare**  
Multi-use, reliable

## Segmented Marketing

# What Is “S-T-P”



# Positioning – What Is It?



[\[edit\]](#)

## Positioning

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.<sup>1</sup>

# Choosing a Positioning Strategy

## Identifying Possible Competitive Advantages



Product



Services



People



Channels



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

|          |          | Price         |                   |                    |
|----------|----------|---------------|-------------------|--------------------|
|          |          | More          | The same          | Less               |
| Benefits | More     | More for more | More for the same | More for less      |
|          | The same |               |                   | The same for less  |
|          | Less     |               |                   | Less for much less |

# Cisco MDS 9148

More SAN Performance & Value for More Data Centers



## 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+



|          |          | 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 |

## 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

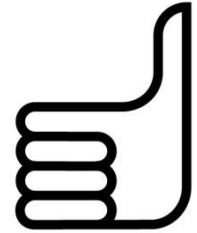
## When to define a new market?

Early/very early in market development

Market at key crossroads / lifecycle stage

You have strong, very differentiable advantage

Competitors have legacy technology / perception

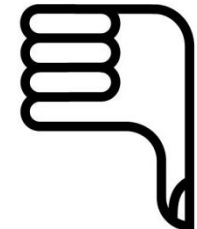


## When to NOT define a new market?

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)



## 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

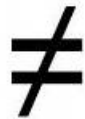
### PLATINUM SPONSORS



# Real World Example

Early 2016 – the “SD-WAN” market

→ Expand market or follow others



viptela

velocloud™

## 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

1/18/19


**DIGITAL JOURNAL** Like 62K

NEWS | TECH & SCIENCE | SOCIAL MEDIA | BUSINESS | ENTERTAINMENT | LIFE | SPORTS

 Lots of companies sell marketing clouds.  
**Listrak delivers results.** Email | Marketing | CRM | Predictive

**Press Release** [More press releases»](#)

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



**2019 FORESTER**  
3.49% APR Financing on all new 2019 Forester Models

**SUBARU**  
Confidence in Motion

**Serramonte Subaru**  
707 Serramonte Blvd., Colma, CA 94014

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.



The key players covered in this study

- Cisco Systems
- Cradlepoint
- Riverbed Technology
- Versa Networks
- Others



# Real Business Results

1/21/19



**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.

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



# 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



# 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?



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