

Defining a New Go-To-Market Strategy

responders

conversion rate

\$42,000

= 7,400 / buyer

89%

Marketing Campaign

AdSense See 1000

conversion rate → 10%

(expected, how?)

conversion rate → 53%

average buyer purchase → \$1400

Introduction

The Defining a New Go-To-Market Strategy SmartGuide was created for IT Solution Provider Owners, Practice Managers, and Marketing Leaders as a step-by-step reference tool supporting the development of framework focused on launching a new product or service to market

Components at a Glance

1. Goal Setting for New Go-To-Market Initiatives
2. Customer Segmentation
3. Collecting Customer Insights
4. Value Proposition Design
5. Additional Resources

Goal Setting for New Go-To-Market Initiatives

When developing a go-to-market strategy related to a new or innovative solution, goal setting is critical.

Gail Mathews, a professor of psychology at Dominican University, conducted a study that determined that when people write down their goals AND share them with others, they are more likely to achieve those goals. An organization is no different, recording goals and making the team and beyond aware of those goals is critical to success.

Goal setting isn't just about financial metrics, rather it is a composition of a diverse set of milestones that are important markers supporting the journey of your go-to-market initiative. Approaching as if you are setting target metrics for a startup business can create a framework for setting of goals in an environment with several unknown factors.

How to Set Goals for your Go-To-Market Initiative

Specificity

"Some" is not a number and "soon" is not a time.

Creating clarity around when you want to achieve the "start-up" goals by defining the length of your go-to-market experiment. Time frames can vary depending on what solution, product, or service your organization is looking to take to market, but six months is a best practice.

To address the "some" issue, organizations can explore transactional and start-up indicators. Common transactional indicators are frequency, reach and yield for the solution in question. Start-up indicators could include demonstrations delivered, new account sign ups, and return users.

Division

Specific goals can be intimidating, especially when they are big and/or different than normal. By starting with specific numbers, you can easily do the math to break those big goals down into smaller, more consumable chunks. Even in the case of a 6 month plan, creating bi-weekly goals that align with sprints is a great example of division.

These smaller numbers will give you something simpler to achieve and you'll be able to see results or understand failures quicker.

Feasibility

Ultra-ambitious goals are great for driving a long-term vision or aspiration. However, these goals can be counter-productive over the short run. Initial go-to-market goaling is about creating a path to that vision.

Goals that are attainable are helpful when you're starting out with a new initiative. An example target should be at least 25 percent, but no more than 60 percent achievable with some certainty. Only making them partially achievable with a degree of certainty will keep them challenging enough to push your organization forward while making the team feel a bit of pressure at the same time.

Focus

Follow the goals you set by creating a goal dashboard that clearly communicates the goal description, goal value, actual attainment to date, and owner of that goal. Monitor them on regular basis both individually and as a team on a regular basis (at least every two weeks).

Customer Segmentation

Once your organization has a defined new overarching strategy it would like to test and the associated success targets, identifying customers that may be interested in that output of that strategy is the next step. This effort is driven by customer segmentation.

Customer segments is the community of “like” customers or businesses that you would align a product, service or experience. Customers can be segmented into groups based on demographics, various needs, behaviors and traits that they share. An organization can categorize potential customers into a segment based on:

- **Need:** The customers have a particular need which aligns with your strategy
- **Channel:** The customers are best engaged via a unique distribution channel for your service or product.
- **Relationship:** The customers will require a new form of engagement experience
- **Jobs to Do:** The customers in the segment have common jobs they are looking to get done in order to achieve a business objective, dream or aspiration.

Example Customer Segment Types

Mass Market: Appeal to the needs of a wide cross section of customers and does not meaningfully discriminate between groups. The value proposition, distribution channels and customer relationships are meant for the consumption of large group of customers with a common need.

Niche Market: Defined characteristics and particular needs define the customer group. The segment requires highly tailored product and bespoke experiences that to suit their needs. Therefore, the value propositions, distribution channels and customer relationships are closely defined according to the preferences of this particular customer segment. These business models are common in supplier buyer relationships such as those between automobile parts manufacturers who are extremely dependent on automobile manufacturers for sale of their products.

Multi-Sided Markets: When a strategy is reliant on two different customer segments related through dependency, the organization may have to consider both parties. An example would be a strategy that requires both buyers and sellers. If a go-to-market tactical plan fails to deliver a material group of sellers, than buyers may switch to other solutions to fulfill their needs.

Negative Market: In this approach, a customer segment is defined by what it is not. A clear understanding of traits that would not be an idea fit for the strategy are explored, and used to create exclusion lists.

How to Create Customer Segments for your Go-to-Market Initiative

Listening

Some of the best go-to-market offerings are a result of customer feedback or other ad hoc marketing research. The one off request or data point captured at event forms the go-to-market idea and associated goals.

Define

Developing a single sentence that captures the essence of your target customer provides clarity of vision for the organization. This sentence acts as true north by providing the key attributes of the customer you believe your new offering is a fit for. The customers that fit this definition should be most passionate about your offering.

List Formation

Basic account information is the starting point, including first name, last name, street address, city, state, zip code, phone number, and e-mail address. Nevertheless, there is additional account information that is almost equally important. Social media is becoming increasingly important in account management, so a collection of information related to popular platforms including Twitter, Facebook and Instagram should be included. Verticalization is also an important engagement factor, so including SIC codes can help to group accounts by like industry. Whatever criteria you capture, you must include those attributes that form your customer definition.

Determination of Criteria

Utilizing the customer definition, you've created and the data fields you've organized, different lists can be developed to support your initiative. Common criteria groupings include geographic, demographic, usage, and product purchase. Geographic explores location information including state and zip code. Demographics include organizational size. Usage looks at insights related to frequency and lifetime value. Product related explores the broader set of technologies in use by the organization.

Collecting Customer Insights

Customer personas are representations of the customers that reside within your defined segment.

It is the criteria that make that segment a group. Having a deep understanding of the persona is critical to value proposition creation, content development, product/experience design, and customer engagement in general.

Empathy is also key, the ability to put yourself in the shoes of the customer. Example areas of exploration include:

Customer Jobs: This describes what customers are trying to achieve in their professional role. It could refer to the work they are trying to get done, needs that they are trying to satisfy or challenges that they are trying to overcome.

Customer Pains: These circumstances prevent a customer from getting a job done, create stress, or are responsible for created wasted productivity.

Customer Gains: This describes a business outcome a customer aspires to have. Some gains will be taken for granted by the customer upon purchasing a product or service, but others might be a surprise for them resulting in customer delight.

How to Uncover Customer Insights

Put Yourself in Their Shoes

Don't do this alone, instead, pull together the team. Especially those who interact with customer on a regular basis. In a room, explore the world of important contacts at an account, not just the owner, but beyond. Explore what they are feeling, hearing, seeing, and thinking. Record tasks your customers are trying to accomplish on separate post-it notes.

Pains and Gains

Pinpoint the challenges and risks they face as well as their dreams and aspirations. Empathize with their situations and those opportunities for each of them to become heroes in their organizations.

Prioritize

What opportunities are the biggest or which are the most unique, either way, a designation should be agreed upon that allows for prioritization. Rank the jobs, pains and gains in order of relevance and severity for the customer based on the prioritization point your team sets.

Value Proposition Design

A value proposition is the unique reason as to why a customer should pick the product/service that is a focus of your go-to-market strategy. This is the case for why your offering should be selected over that of a competitor.

The goal of value proposition creation is product – market fit.

It is important for a product or service to solve a problem in some unique way. The problem could be urgent or it could be something aspirational, or it something in-between. Where the problem falls on the spectrum often correlates with a single or combination of value proposition elements.

Example Value Proposition Elements

Design: Innovating user interface/user experience are examples of value created through product/service design.

Newness: Some value propositions are based on a factor of novelty, especially in the case of technology.

Performance: Enhanced capability is a hallmark of value proposition design, sometimes carrying a product/service for decades via enhancements to speed, size, or similar qualities.

Customization: Providing the option to tailor the product to the customer or users specific needs adds value for that customer. Playing on trends related to mass customization or customer co-creation, organizations can cost effectively tailor offerings for a diverse set of customers.

Brand: Creating perceived status through association or driving loyalty through community are a couple of examples of brand activation.

Accessibility: Developing a product or service that allows for improved access to a complex technology is an effective value proposition element.

How to Define Your Unique Value Proposition

Inventory

Record all product and services in your portfolio, regardless of association to the go-to-market initiative in question. This list should reflect the best of the best from the list of service, products and experiences your organization offers.

The Brainstorm

Now that you know what your organization currently has in place, what is on the horizon? The brainstorm captures those points of value currently under development or in the pipeline.

Connection

Explore how the results of inventory and brainstorming match to pain points and gain opportunities. How might an existing point of value eliminate a pain one of the targeted personas experiences? How can a service experience you have the pipeline provide a valued positive result. List only the combination of products and services that directly provide value to the relevant customer segment. No product or service will be able to meet all the pains and gains in a customer's profile.

Additional Resources

Goal Setting

- [The Startups.co Guide to Business Goals: S.M.A.R.T Goals Template](#)
- [4 Fundamental Tips for Setting Goals Like a Startup](#)
- [Guide: Set goals with OKRs](#)
- [Frequency, Reach & Yield: The Basis for All Good Performance Metrics](#)

Customer Segmentation

- [Customer Segmentation: A Step by Step Guide for B2B](#)
- [Customer Segments For Startups](#)
- [Business model canvas: Customer Segments](#)

Collecting Customer Insights

- [Empathy Mapping: The First Step in Design Thinking](#)
- [The UX Designer's 5-Minute Guide to Lean Personas](#)

Value Proposition Design

- [The Value Proposition Canvas - Create the value your customer wants](#)
- [25 Companies Who Absolutely Nailed Their Unique Value Proposition](#)

For any questions
or additional assistance,
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