

Vertical Marketing:

Creating Winning Go-to-Market Programs

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Chasm Institute 3-Part Webcast Series

WINNING IN VERTICAL MARKETS:

Skills + Tools + Methods to Accelerate Time-to-Revenue and Dominate Key Segments

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Creating Winning Go-to-Market Programs



- **“No matter how great the strategy, it means nothing unless it is implemented.”**
 - Geoffrey Moore
Chairman, Chasm Institute

The Bridge From Strategy to Results

9-Point Strategy

- Target customer
- Compelling reason to buy
- Whole product
- Partners & allies
- Distribution
- Pricing
- Competition
- Positioning
- Next Target

What are we doing?

Go-to-Market Programs

- Whole product management
- Whole product partners
- Whole product messaging
- Market relations
- Sales support programs
- Evaluating and selecting sales channels

How are we doing it?

Results

- Complete solution
- Successful whole product partner relationships
- Consistent / powerful messaging
- Communication programs to the right audiences
- Powerful sales tools
- Successful sales channel partners

= Market Leadership

What is success?

Creating Winning Go-to-Market Programs

- **Building the solution**
 - Defining the whole product
 - Recruiting whole product partners
- **Educating the market**
 - Developing whole product messaging
 - Creating market relations programs
- **Optimizing the sales process**
 - Evaluating and selecting sales channels
 - Developing sales support programs

Chasm Institute's Senior Workshop Leaders



Mark Cavender

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- **Previous sales and marketing experience in enterprise software**
 - Oracle Applications
 - JD Edwards
 - McCormack & Dodge
 - The Service Bureau Company
- **Education and consulting engagements**
 - Intel
 - IBM (Cognos, FileNet, Midrange, Tivoli)
 - Infor (Lawson, Intentia)
 - Oracle (Hyperion)
 - Century Link (Savvis)
- **MBA, University of North Texas**



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- **Previous product management and consulting experience**
 - Price Waterhouse
 - Harbridge Consulting
 - Hewlett-Packard
 - PepsiCo Inc.
- **Education and consulting engagements**
 - Adobe
 - HotChalk
 - Cisco Systems
 - Jive Software
 - Citrix
- **MBA, Harvard Business School**

Building the Solution

Defining the Whole Product
Recruiting Whole Product Partners

Defining the Whole Product

What Are the Key Enablers Needed?

Key Enablers	C, T, S ? / Un ? C = Custom T = Tailored S = Shrink-wrapped Un = Unacceptably complex for you, partners or customers	Responsible Partner	% Complete Today	Is this element part of MVP ?	% Complete at Launch Date of <input type="text"/>
				Yes / No	
● Core Technology	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Systems Analysis	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● End-user App. SW	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● HW & Systems SW	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Network Connectivity	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Peripherals	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Sales / Pre-Sales Support	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Installation	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Integration	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>
● Interfaces to Legacy Systems	● <input type="text"/>	● <input type="text"/>	<input type="text"/> %	<input checked="" type="checkbox"/>	<input type="text"/>

Recruiting Whole Product Partners & Allies

How Can We Ensure that We Are Aligned with Our Partners?

Partner Name (I = Internal) (E = External)	This Partner's Key Role	The Right Skills and Capabilities?	Track Record of Meeting Commitments? (Time? Quality?)	Mutual Win? ... are Success Metrics/Rewards aligned – so we are clearly an important part of their success?	Customer Insight: does the Partner understand <u>our</u> Target Customer?	Is this Partner Critical Path for HP's Market Success?
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Allies: # 1 <input type="text"/>	Allies: Key Role of # 1 ... <input type="text"/>	<input type="text"/>	<input type="text"/>	Non-Financial Success Metric: <input type="text"/>	<input type="text"/>	<input type="text"/>
Allies: # 2 <input type="text"/>	Allies: Key Role of # 2 ... <input type="text"/>	<input type="text"/>	<input type="text"/>	Non-Financial Success Metric: <input type="text"/>	<input type="text"/>	<input type="text"/>

Educating the Market

Developing Whole Product Messaging
Creating Market Relations Programs

Developing Whole Product Messaging

The Product Positioning Statement is built upon the elements of a segment-specific strategy.

- For [target customers]
- Who have [compelling reason to buy]
- Our product is a [new product category]
- That provides [key benefit (which solves problem)].
- Unlike [competitor in new product category],
- We have [differentiated] whole product most relevant for your industry.

Use this statement as a template to ensure a clear hand-off between marketing and marketing communications on the goal of segment-specific positioning.



From Positioning to Messaging

- What it is



the *product*

- What it does



the *benefit*

- What it means



the *effect*

- Why I should care



the *motivation*

From Positioning to Messaging

Level		What It Is	What It Does	What it Means	Why I Should Care
Corporate		xxx	xxx	xxx	xxx
Bus. Unit		xxx	xxx	xxx	xxx
Solution	Whole product	xxx	xxx	xxx	xxx
	Core product	xxx	xxx	xxx	xxx
	Whole product component A	xxx	xxx	xxx	xxx
	Whole product component B	xxx	xxx	xxx	xxx
	Whole product component C	xxx	xxx	xxx	Xxx

Real World Application: Cognos (historical from previous years)

The Product Positioning Statement is built upon the elements of a segment-specific strategy.

- For controllers and group consolidation managers
- Who are unable to guarantee the accuracy of their financial results
- Our product is a consolidation solution
- That coordinates, controls, and automates the close, consolidate, and reporting process.
- Unlike Oracle (Hyperion) and SAP (Cartesis) and other ERP vendors,
- Cognos is specifically designed to ensure that Finance retains complete control over the financial data.

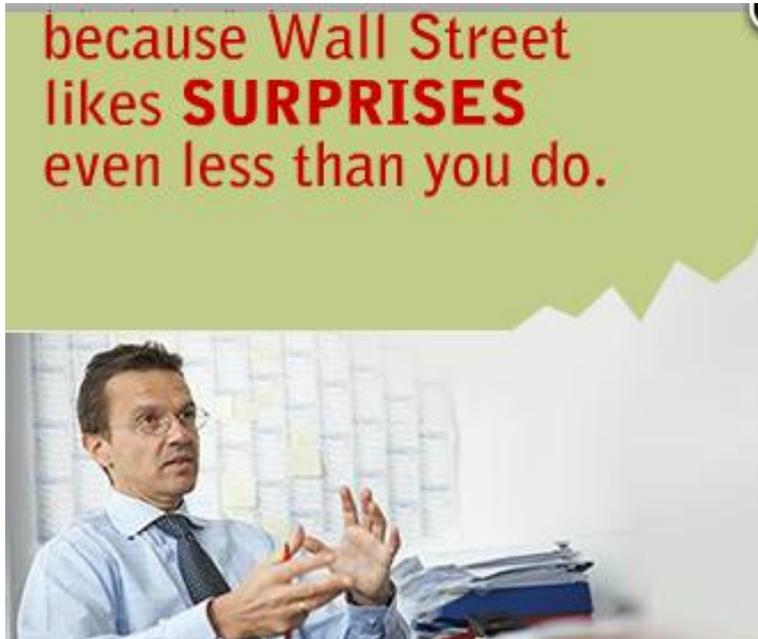
Use this statement as a template to ensure a clear hand-off between marketing and marketing communications on the goal of segment-specific positioning.

From Positioning to Messaging - Cognos

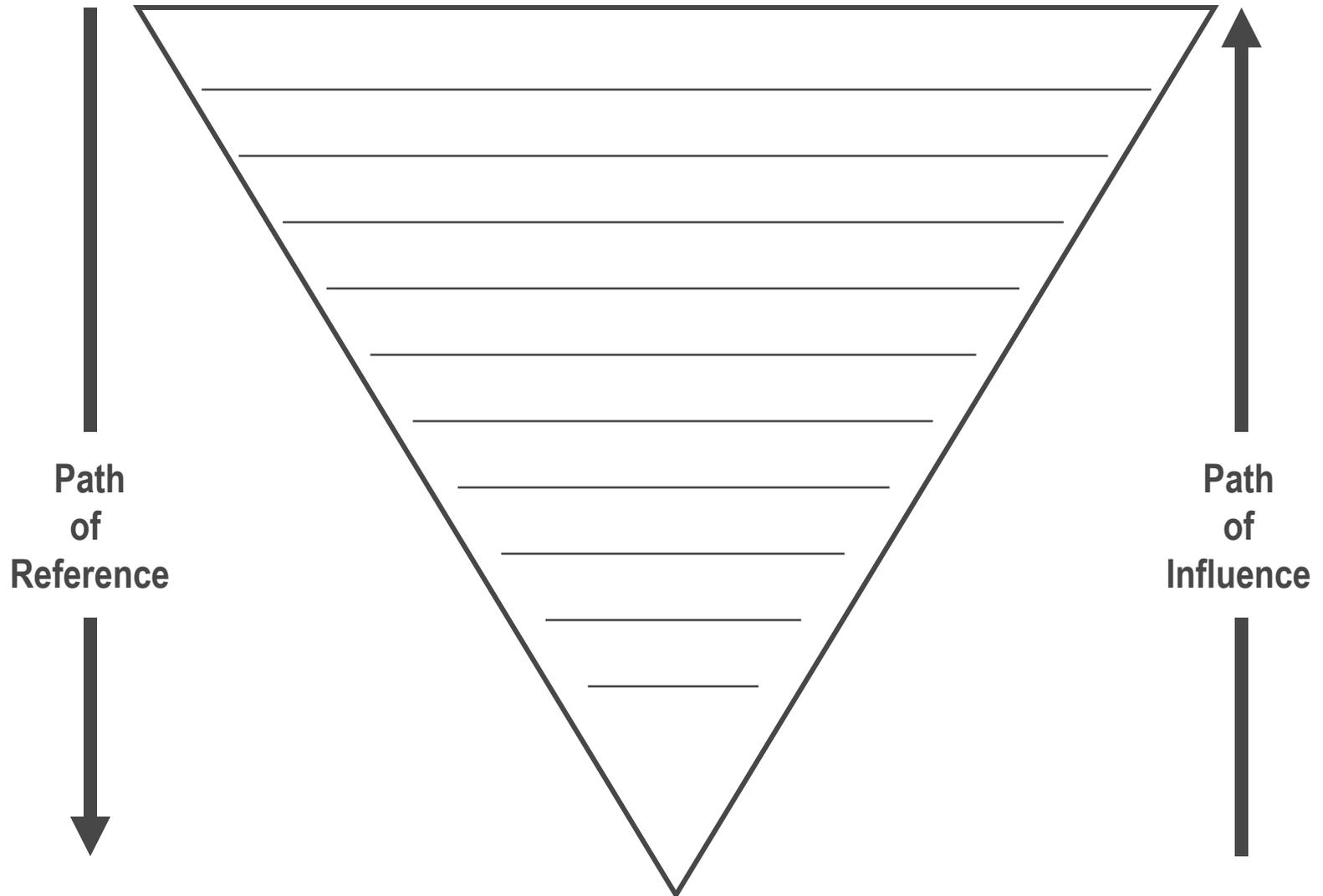
Level		What It Is	What It Does	What it Means	Why I Should Care
Corporate		xxx	xxx	xxx	xxx
Bus. Unit		xxx	xxx	xxx	xxx
Solution	Whole product	Consolidation solution	Coordinates, controls, and automates the close, consolidate, and reporting process	Finance can structure and automate the close process, incorporating internal controls in order to ensure certified financial results for external and internal reporting.	I can guarantee the quality and accuracy of the financial results
	Core product	xxx	xxx	xxx	xxx
	Whole product component A	xxx	xxx	xxx	xxx

From Positioning to Messaging - Cognos

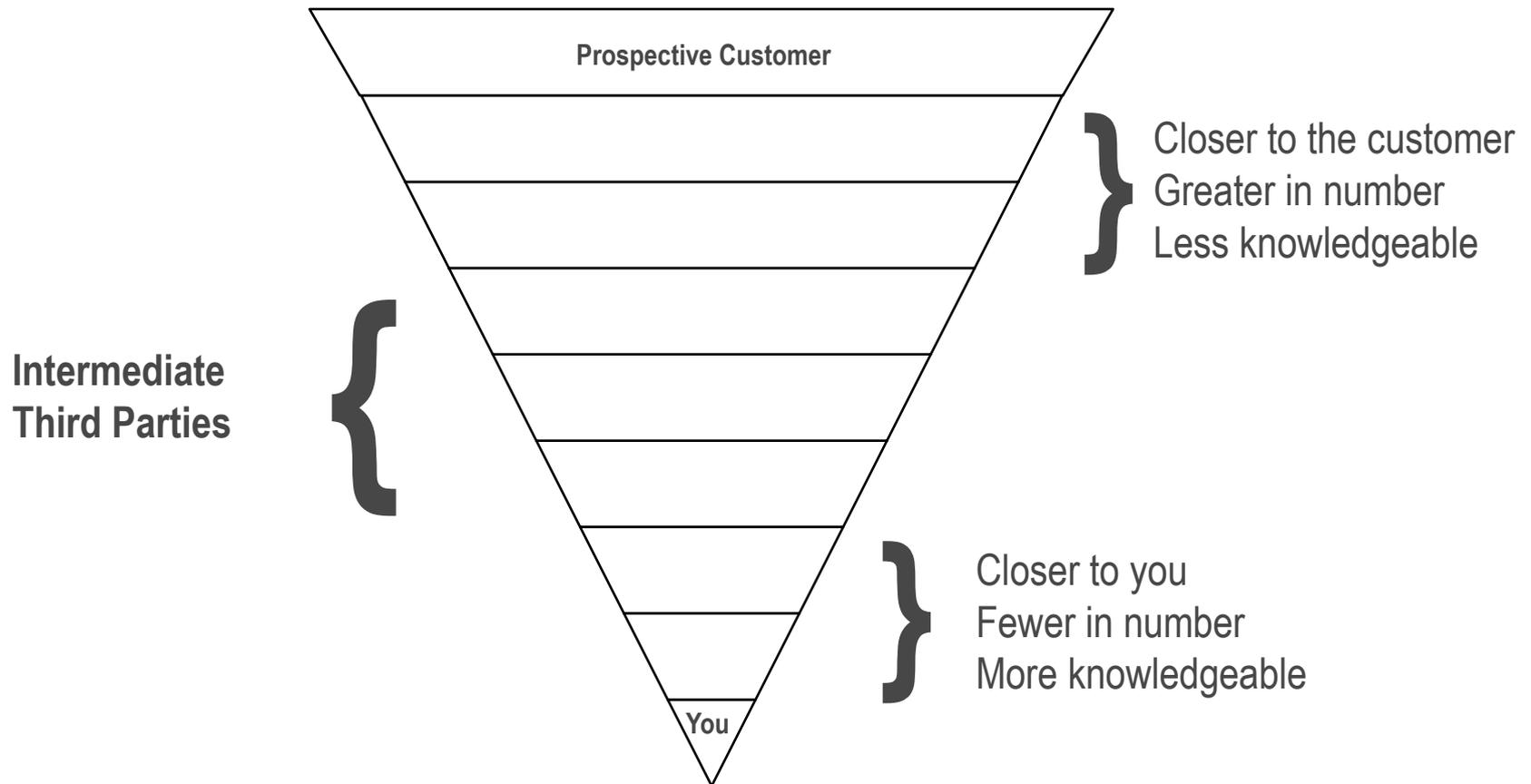
The Implementation



Creating Market Relations Programs



The Infrastructure Model for Market Messaging

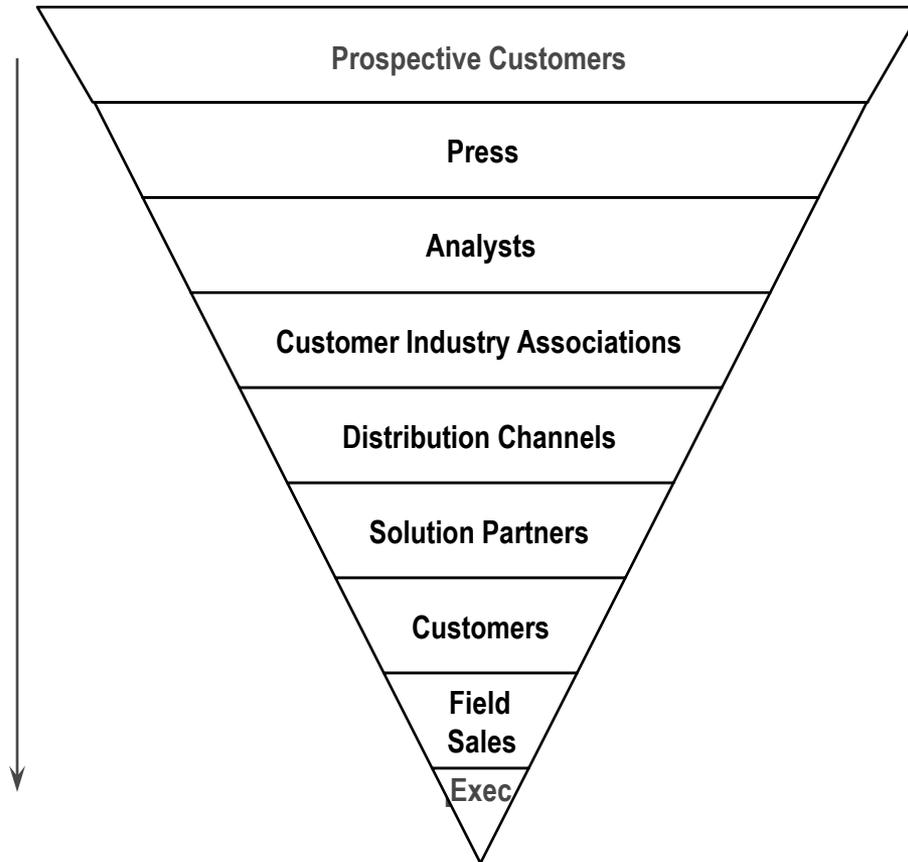


**The other members of the market mediate between you and your prospective customer.
Less knowledgeable members seek the reassurance of more knowledgeable ones.**

Infrastructure - The Arbiter of Positioning

Messages originating up here appear *unbiased*

Path of Reference



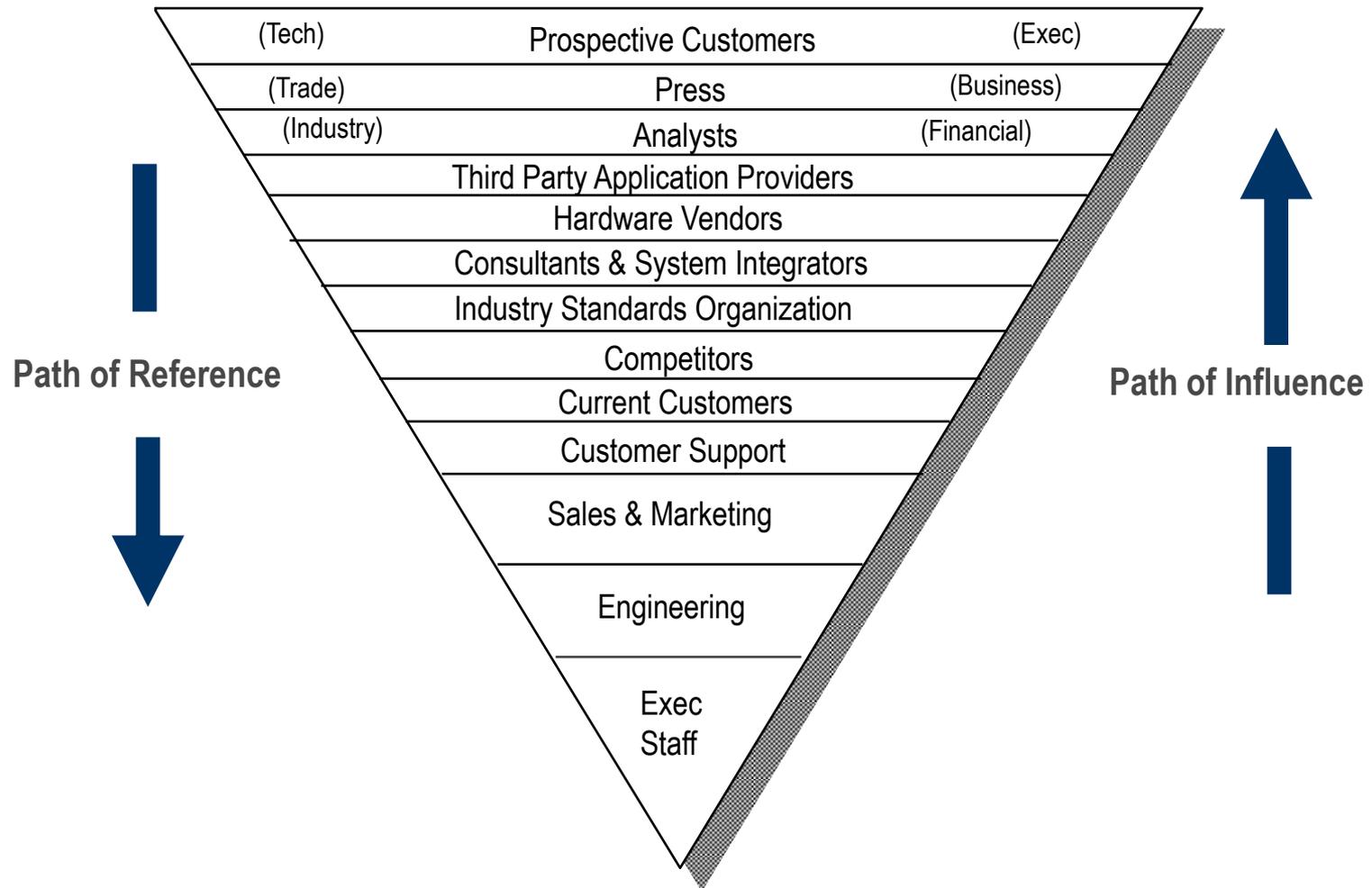
Path of Influence

Messages originating down here appear *biased*

The market wants positioning to lay out a map of the relevant choices. Competitors want positioning that puts them first.

Infrastructure Marketing Model

-- Software company example --



Optimizing the Sales Process

Evaluating and Selecting Sales Channels
Developing Sales Support Programs

Evaluating and Selecting Sales Channels

Is Our Channel Ready to Help Us Win?

Quality	Measurement
Well-trained	Has this channel been professionally-trained on 3 key topics: <ol style="list-style-type: none"> 1. Our product info 2. Specific info about who our ideal target customer is 3. Target customers' compelling reasons to buy
Well-equipped	Has this channel been provided with sales tools / sales kits / collateral, that are viewed as credible by both the channel and our target customer?
Confident	Does the sales rep sincerely believe they can win with this product?
Competent	Does our target customer believe that the sales rep has the right level of expertise regarding our product?
Properly Motivated	Are there sufficient channel incentives (financial incentives + short enough sales cycle) to motivate the channel's time, attention and effort with our product?
Preferred Channel	Does the customer prefer to buy from the channel, or would they actually prefer to buy from a different type of channel?

Sales Channel Readiness

	Consensus Scores	Weighting Factor	Weighted Scores
<i>Well-trained ?</i>	<input type="text"/>	2x	<input type="text"/>
<i>Well-equipped ?</i>	<input type="text"/>	2x	<input type="text"/>
<i>Confident ?</i>	<input type="text"/>	3x	<input type="text"/>
<i>Competent ?</i>	<input type="text"/>	3x	<input type="text"/>
<i>Properly Motivated ?</i>	<input type="text"/>	5x	<input type="text"/>
<i>Is this the Customer's preferred Channel to buy from ?</i>	<input type="text"/>	5x	<input type="text"/>
Total Score =	<input type="text"/>		<input type="text"/>

Developing Sales Support Programs

No Matter the Methodology – All Programs Require Tools ...



Sales Support Plan

Sales Cycle Step	Target Audience	Objective	Program Deliverable
Assess			
Qualify			
Educate			
Demonstrate			
Justify			
Close			

In Summary

- **First build the solution**
 - Define the whole product
 - Recruit whole product partners
- **Next educate the market**
 - Develop whole product messaging
 - Create market relations programs
- **Then optimize the sales process**
 - Evaluate and select sales channels
 - Develop sales support programs

Upcoming Webcast Schedule

All Webcasts Are from 10:00 – 10:45AM PDT

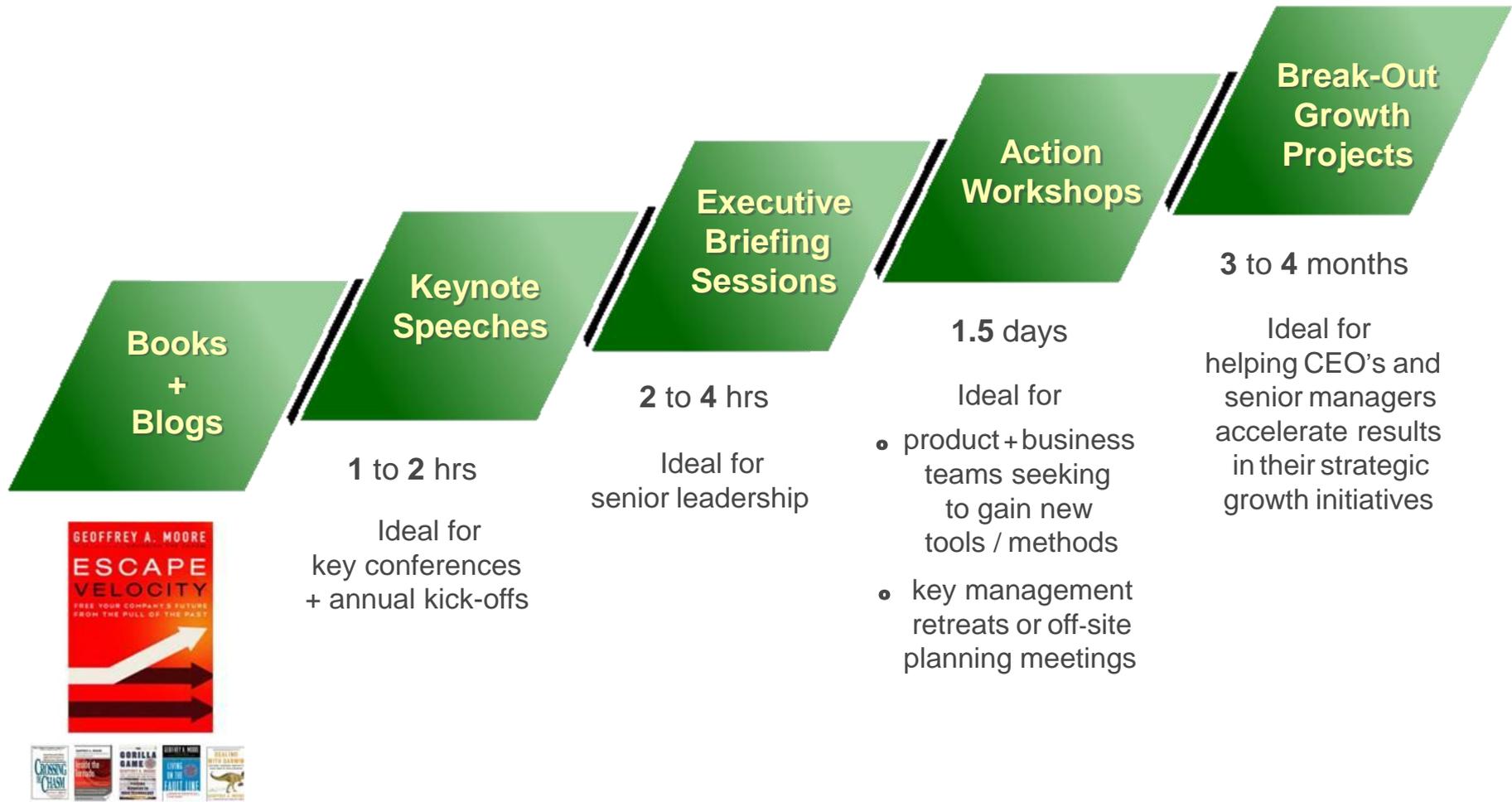
Date		Topic
Oct. 6	Tuesday	<i>Vertical Marketing: What, Why, When, and How?</i>
Oct. 14	Wednesday	<i>Vertical Marketing: 9 Essential Keys to a Successful Strategy</i>
Oct. 21	Wednesday	<i>Vertical Marketing: Creating Winning Go-to-Market Programs</i>
Nov. 4	Wednesday	<i>Vertical Marketing: Tools for Creating and Implementing a Successful Market Development Strategy</i>

Why Chasm Institute?

“No matter how great the strategy is, it means nothing unless it is implemented.” - Geoffrey Moore

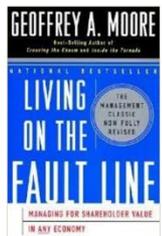
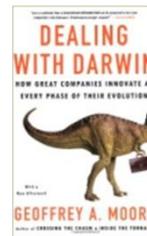
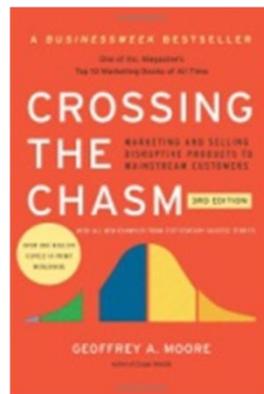
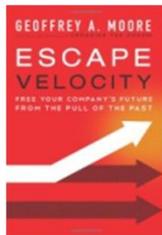
- **Chasm Institute programs are based on the industry standard in high-tech strategy, coupled with real world experience**
 - Geoffrey Moore’s best-selling business books
 - Strategy concepts that have been proven and refined through hundreds of real world consulting engagements by The Chasm Group over 12 years
- **Ability to accommodate all of a company’s offerings**
 - Multiple categories
 - Multiple places in the Technology Adoption Life Cycle
- **Executives can choose between a blend of both workshops and online education**
- **Chasm Institute programs help companies:**
 - Achieve alignment across the organization
 - Gain alignment with business partners
 - Improve employee and partner motivation
- ***The result: Better definition and execution of your company strategy***

Here Are **5 Ways** to Engage with Chasm Institute



Thank You!

- Chasm Institute provides **workshops, tools + training** for helping tech-based companies achieve product and service success in tough, highly competitive markets
- Workshops are based on these best-selling business books by Chasm Institute's Chairman Emeritus, Geoffrey Moore:



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