
Positioning Your Business For Success



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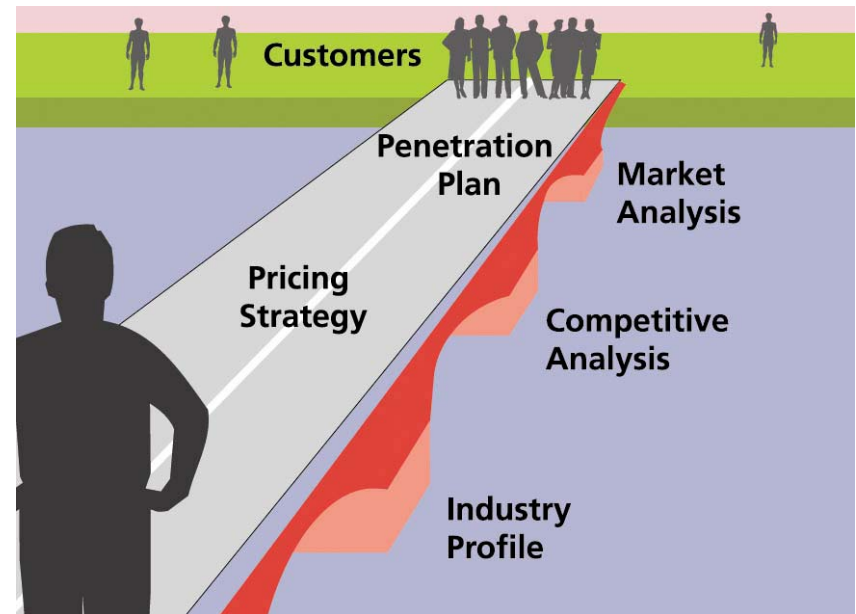
Positioning Your Business For Success

- Marketing Your Business
 - To Your Best Potential Customers
 - At the Right Time
 - In the Right Place
 - With the Right Message
 - At the Right Price



To be successful you need to:

- Understand the industry
- Understand your customers
- Understand your competitors
- Build a competitive advantage
- Price strategically and profitably
- Determine strategies for reaching key target markets



Target Market

- Is a well-defined customer group that can be reached through specific marketing activities.
- How do you divide the entire market into smaller segments?
- What are the benefits of using market segmentation?



Understanding Your Industry



- Current Size
- Growth Potential
- Industry Trends
- What's working elsewhere
- New Distribution Channels

Tips

- Industry research will tell you if industry sales are declining, stable, or growing
- New trends and distribution channels allow new businesses to leapfrog over existing competitors. Ex – internet: books & music



Who are your KEY customers?

- For your industry who are the most important customers?
- For Your Business, who are the most important customers?
- What do you know about them?



Why do customers buy?

- What are critical success factors for your market and why is it important to meet them?
- What customers say
- What they REALLY do



Critical Success Factors

What do customers value?



Critical Success Factors - Examples

- Price
 - Location- convenience
 - Service
 - Quality
 - Cleanliness
 - Trendiness/Fashion/Referral
 - Selection
 - Hours
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Understanding Your Customers

- Why do they buy from you?
 - What factor is most important to them?
 - Do you deliver that?
 - How do you stack up vs. your competitors?
 - Are there critical success factors that you can build a niche around?
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Understanding competitors

- Who are your key competitors?
- Why do people buy from them rather than you?
- **Are you more likely to buy from someone else if you are happy with your current supplier?**
- **What are their weaknesses?**
 - Can you promote your strengths against these?

Competitive Advantage

- A factor that is important to customers
That sets you apart from the competition

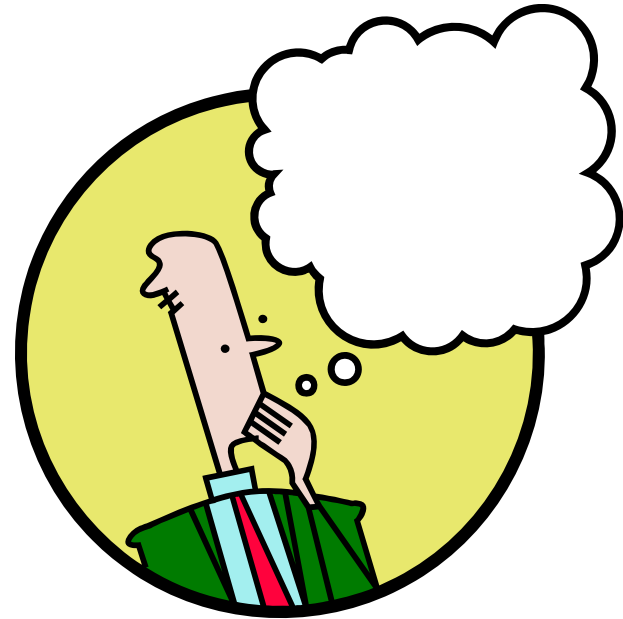
Examples?

How do your customers find you?

- What marketing is currently bringing you customers?
 - Does your marketing point out your competitive advantages?
 - Does it address why your KEY TARGET customers want to buy what you sell?
 - What information will change key customers buying behavior?
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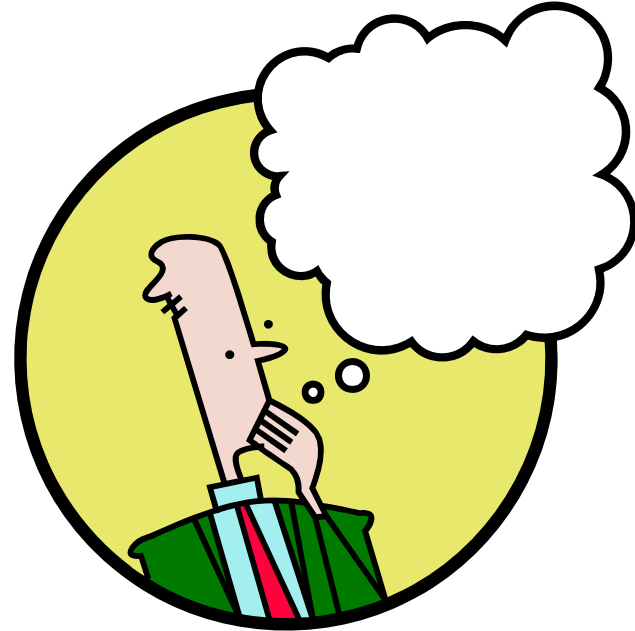
Remember

- Surveying prospective customers is a good way to test assumptions about which critical success factors are most important
- The critical success factors competitors choose to focus on may be emphasized in their advertising



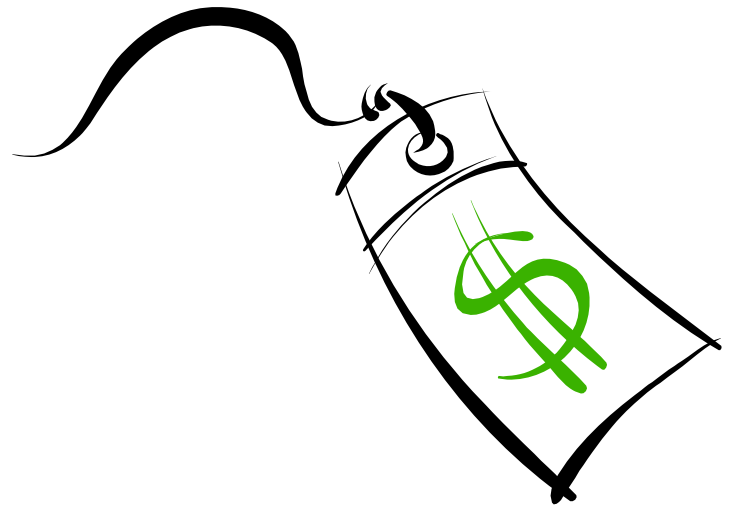
Remember

- Market segmentation identifies several groups interested in your product/service
- Market segmentation enables you to evaluate the size of a market segment, your ability to reach it, and its potential profitability.



Setting Prices

- Is pricing a marketing or financial challenge?
- What do you have to consider before setting prices for your product or service?



Marketing Plan – Pricing Process

- How important is price to your customers?
 - Is price the key selection factor?



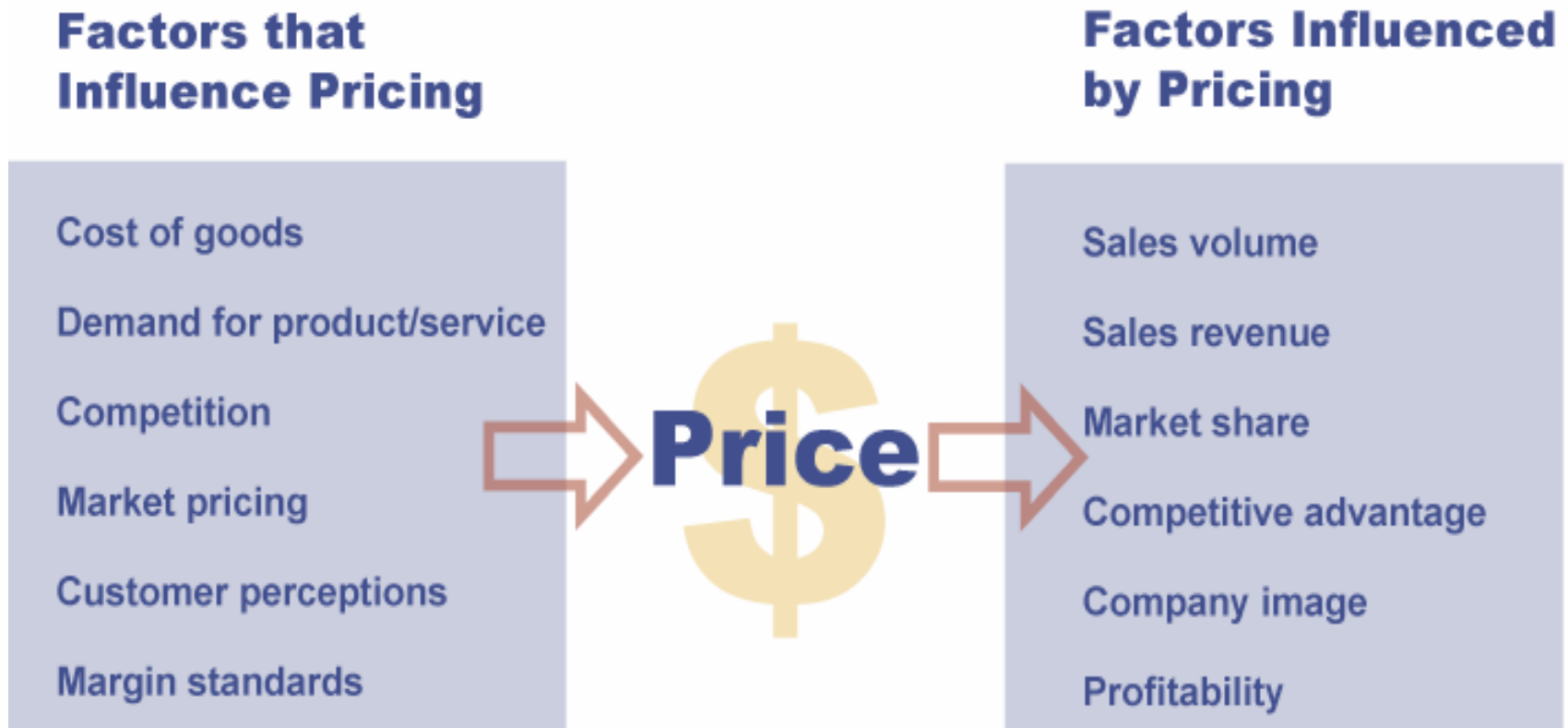
Marketing Plan – Pricing Strategies

What is your pricing position strategy?



- Higher
- Lower
- Parity

Marketing Plan – Set Prices



Industry Overviews/Trends

- ❑ Associations/Directories

 - <http://info.asaenet.org/gateway/OnlineAssocSlist.html>

 - Directory of Associations

- ❑ www.valuationresources.com

 - See Industry Reports

 - Links to fee-based and free industry resources

- ❑ <http://www.jjhill.org>

 - James J. Hill Library, a fabulous online collection of business information and resources

Competitive Information

- ZapData (<http://www.zapdata.com/>)
 - Dun & Bradstreet data
 - Analyze market
 - Prospecting Lists (fee)
 - InfoSpace (www.infospace.com)
 - Business Listings
 - Locate competitors within radius of business
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Demographic Info

- ESRI-BIS (www.esribis.com)
 - ❑ Demographic reports
 - ❑ Lifestyle characteristics
 - ❑ Free ZIP Code information
 - MelissaData (www.MelissaData.com)
 - ❑ Free Lookups
 - ❑ Census lookups by ZIP code
 - Census (www.census.gov)
 - ❑ Free Demographic data
 - ❑ Geographic Lookup
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Selected Databases:

Small Business Topics

- Ed Lowe (<http://peerspectives.org>)
 - General Small Business Issues
 - How to's
 - EntreWorld (<http://www.entreworld.org>)
 - General Small Business Issues
 - How to's
 - CCH Business Owners Toolkit
(<http://www.toolkit.cch.com/tools/tools.asp>)
 - Tools
 - Spreadsheets
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Selected Databases:

Small Business Topics

- Small Business Plan Guide
<http://www.smallbusinessplanguide.com>
 - ❑ Links to small business websites
 - ❑ Links to industry resources
 - ❑ Created by a SBDCer
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A good place to start

- www.delawaresbdc.org
 - Business Advice
 - Training
 - Web site
 - Information and Research
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