

How To Create Marketplace Strategies That Actually Get Results

Research shows very few companies actually know how to create an effective strategic plan AND successfully implement it in the marketplace. Is your company one of them? Follow these strategic planning strategies and you will create a marketplace strategy that actually gets results.

Failure to properly implement your marketplace strategy does much more than create glitches in the business. It can actually lead to business failure. And, in many situations, an incorrectly administered strategy is worse than no strategy at all.

Why strategy disconnects occur - and what it can mean to your business

Disconnect begins when businesses make a promise to the marketplace without first completing a self-assessment of competencies.

When creating their marketplace strategy, most organisations research customer needs, competition promises and relevant gaps between the two. Yet, most companies do not recognise their current capabilities and limitations when considering their strategic options - or they overestimate how much change they can absorb in pursuit of the strategy.

Either mis-step can have a tremendous negative impact on delivering on the promise.

To succeed in an increasingly knowledge-based economy, you must:

- Determine where the real and future market gaps in your industry exist
- Identify opportunities that align with your existing image and resulting marketplace "permissions"
- Confirm that your organisation has the right capabilities or realistic odds of creating the necessary capabilities
- Envision how your strategy will be implemented at each key customer touch-point
- Define clear roles and chains of responsibility
- Remain flexible and responsive to marketplace shifts

Most organisations have a number of strategic options and viable paths to potential marketplace success. Understand and use these three rules when it comes to settling on the best strategic option for your organisation:

3 rules to choosing your best marketplace strategy

1. It must communicate a compelling and relevant promise to customers - regardless of whether it's faster turnaround time, luxury style or lower prices. In short, it must

address a customer need.

2. It must align with your organisation's capabilities. Capabilities can grow and change over time, but the organisation is limited by how much change it can absorb in a specific time period.
3. Your go-to-market strategy must leverage your **current** image and resulting marketplace permissions. For example, few of us would pay McDonalds \$30 for a fillet mignon. It's hard for us to believe a fast food restaurant could deliver the quality worthy of such an expensive meal.

A marketplace strategy in and of itself will never be enough

The key lies in executing your marketplace strategies flawlessly. That means you must capitalise on existing strengths. An organisation can only truly and consistently deliver products and services that its people, processes, tools and systems are capable of generating. Anything else is just empty talk.

That's why your company needs to assess its strong points from the start. Your organisation's strategies must be aligned with its strengths. You can lose focus by chasing after spurious targets that are promised by the competition if they do not fit your business model.

For example, consider the wholesale lender that built its business and reputation around high-touch personalised service. Real people answered the phone when customers called. This was their historic strength.

Then the marketplace began to change, and competitors began promising high-tech, low-touch solutions to solve short-term capacity constraints. The lender decided to go with the flow and do the same, but for the wrong reasons and with the wrong set-up.

The lender abandoned its original strategy of high-touch service, which aligned with the company's positioning, image, promise and differentiation. They chased a technology-superiority strategy, focusing on an aspect of the business (technology) that had never previously been one of their strengths.

Investments were cut back in recruiting and training of personnel and instead put into building new, advanced systems. The results were anything but positive. The "me too" strategy was not the way to go. Here's why:

- Their customers bemoaned the loss of the personalised service orientation
- Customers didn't believe that this particular lender could deliver technological excellence
- The organisation risked losing its relevancy and preferred vendor status with many loyal customers
- The lender disregarded its best marketplace strategy ... one that was compelling, differentiating and feasible

The moral of the story: There are many different viable strategies. The point is to determine the marketplace strategy that is **best for your organisation** and stick with it.

Pioneering Marketing Strategist, Scott Glatstein, President of IMPERATIVES, LLC turns market opportunities into record-breaking profits with effective marketplace strategy planning & execution. Now for the first time, with his new book, "Strategy Activation: How to Turn Your Vision into Marketplace Success," Scott unveils his groundbreaking plan for higher strategic profits. Get your FREE SNEAK PREVIEW at www.strategyactivation.com
First published: 14 July 2008.
Last updated: 14 July 2008.