

## Do you know your company's go-to-market strategy?

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You may not sell products and services to a global market, but all of us are affected by the rapid pace of the new world economy.

The speed with which technology is changing the way we deliver and receive information requires greater business acumen from everyone in the organization. This knowledge is important because customers, suppliers and managers depend on collaboration throughout multiple levels of the organization to help them make fast and sound business decisions.

This level of collaboration becomes problematic if everyone isn't on the same page when it comes to your fundamental business strategies. For example, can everyone explain your company's go-to-market strategy? Can they explain how you get and sustain business with your customers?

Go- to-market strategies aren't always simple or obvious. Some examples:

- Grocery stores heavily discount popular items like soda, eggs and milk to attract customers to the store. Then they place those items in remote areas. To find them, customers have to walk past -- and hopefully buy -- higher-margin items.
- Car dealers don't make much money on new cars. They use deals on new cars to attract customers, but they make more money selling used cars, parts, service and even financing. That's why a trade-in may often be more valuable than selling the new car.

But car sales people don't spend a lot of time encouraging customers to use the dealer's service center. That means that those employees don't really understand their company's strategic objectives.

- Companies that manufacture printers practically give them away because they really make their money selling replacement ink cartridges.
- Cellphone providers offer irresistible deals on new phones because they want to sell customers service contracts and high-margin accessories, such as extra chargers. They know the real money is in expensive features such as text messaging, email and customized ring tones, all of which come at a substantial additional monthly fee.

Go-to-market strategies like these can be frustrating or confusing to employees. Sometimes they're designed to make it inconvenient and time-consuming for customers to switch to another product or brand, which can create awkward or confrontational customer-service scenarios for the sales staff.

Defining your company's go-to-market strategy may take some trial and error, and it usually evolves over time.

So how can you help employees identify it? You can start by asking them to answer two important questions:

1. What is our niche?

This encourages employees to discover what's unique about your company.

IKEA is a Scandinavian furniture company that offers great designs. To buy from it, customers must pick up their purchase and assemble it. That is IKEA's unique niche. It eliminates two of the highest-cost areas -- assembly and delivery -- for furniture manufacturers.

2. How do we leverage what we do?

This helps employees understand how you get your products and services in the hands of more people with less cost, time and effort.

Companies that offer pay-per-view services create high leverage, with imaginative ways to get more U.S. films to more people in more countries than we ever imagined. The next time you stay in a hotel overseas, you're likely to turn on the TV and see Tom Hanks speaking in Chinese or Portuguese. Or you could just download the film to your laptop or iPod.

Why is it so important for everyone in the company to understand your go-to-market strategy?

As an example, let's say you provide high-dollar engineered systems, products and services. Your company's go-to-market strategy is to build and install new systems at low margins and competitive prices. Customers need to service the systems and purchase new and replacement products, all of which are higher-margin sales.

The low-margin system sales feed your high-margin service and parts businesses. Your systems, products and service lines are a strategically chosen, integrated and mutually dependent group of business units.

There's a problem. Most of your employees aren't aware of this conscious strategy. They don't cooperate or trust each other. They become jealous over pricing structures between the groups or overlapping sales efforts. They even fight with each

other for customers. They behave like three individual business units operating as silos rather than connected teams.

If your managers and employees behave in a way that's contrary to your well-thought-out go-to-market strategy, it's an indication they really don't understand that strategy at all.

Remember the cartoon of the elephant diving from a high tower? He's paused in midair with a fearful look, about to land in a small, 18-inch-deep tub of water. The caption says, "Nothing is obvious to the uninformed."

Your company's go-to-market strategy may seem obvious to you, but it may not be so obvious to other members of your team who lack your big-picture perspective. Taking the time to get everyone on board with the plan will ensure that day-to-day business decisions reflect the same insight, purpose and direction.

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