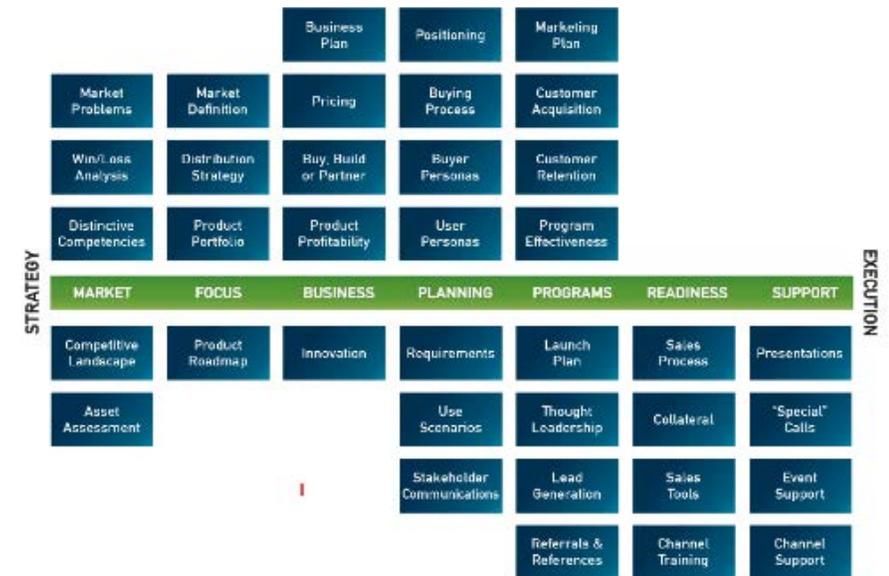


Assessing and Selecting New Market Opportunities

Is that new market segment right for you?

About Pragmatic Marketing

- » Experts in technology product management and product marketing
- » Specialize in training and coaching
- » Trained hundreds of thousands of people at thousands of companies since 1993



About the Presenters

» John Milburn



- Pragmatic Marketing instructor with 20+ years of experience in managing and delivering hardware and software products
- A CSPO, his perspective and experiences from companies such as Lane 15 Software, Dell, IBM, Texas Instruments, Exxon, and Vtel add insight and real-world examples to his teaching

» Mike Smart



- Founder and managing principal at Egress Solutions, Inc., helping companies such as Adobe, Deluxe, K1 Capital, NetApp, Vista Equity Partners and others implement the Pragmatic Marketing Framework
- 25 years of high-technology industry experience in a variety of roles including consultant with Pragmatic Marketing

Segmentation

- » **Segment** (*n*): one of the parts into which something naturally separates or is divided; a division, portion or section.
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Successful Marketing Strategy

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Successful Marketing Strategy

STEP
1

: Segmentation

STEP
2

: More segmentation

MARKET

MARKET

Demographic

- Millennials
- Retail grocery shoppers
- Retirees, age 65+
- IT directors

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Geographic

- Europe
- Indiana small towns
- Latin America
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- Comparison shoppers
- Prefer to work from home
- Economically conservative
- Ecologically conscious

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Vertical

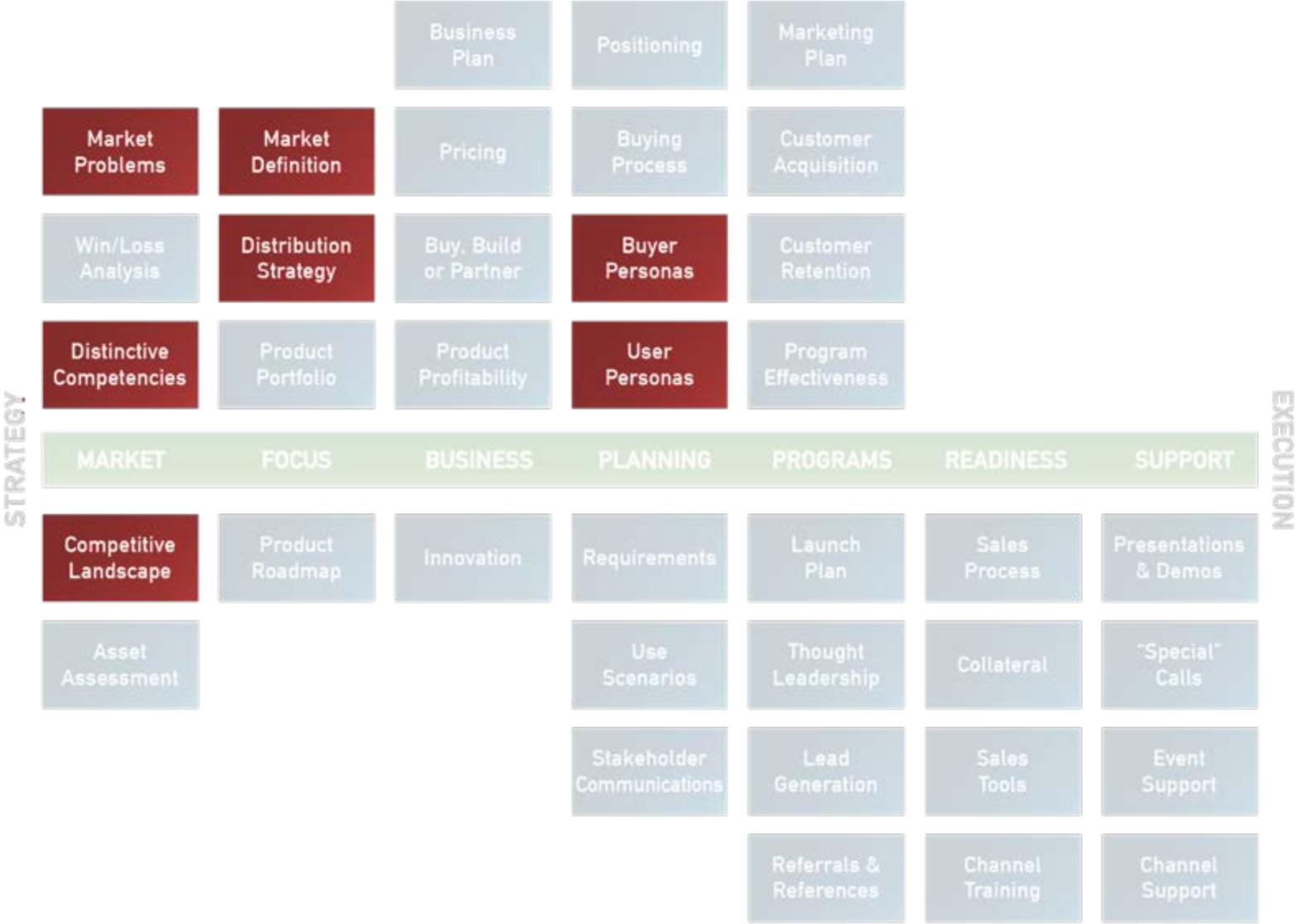
- Healthcare
- Semiconductor manufacturing
- Retail distributors

Pragmatic Marketing Framework



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Pragmatic Marketing Framework



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Significant Challenges



- Clarifying, with granularity

Significant Challenges



- Getting the real numbers
- Clarifying, with granularity

Significant Challenges



- Cost *and* risk of growth
- Getting the real numbers
- Clarifying, with granularity

Significant Challenges



- Prioritizing and phasing
- Cost *and* risk of growth
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Significant Challenges



- Protecting our installed base while growing
- Prioritizing and phasing
- Cost *and* risk of growth
- Getting the real numbers
- Clarifying, with granularity

Assessing New Market Opportunities

A Client Success Story

Assessing New Market Opportunities

- Create uncontested market space
- Make competition irrelevant
- Create and capture new demand
- Break the value cost trade-off



Success Story



Total Cloud Protection

* Roxar Systems is a pseudonym for an actual firm

Success Story: Roxar

The Challenge

- Crowded **backup and data protection** markets
- Roxar was a small player with gigantic competitors
- New entrants offered consumer grade solutions, eroding value proposition for SMBs
- Channel partners won on price differentiation



Success Story: Roxar

» The Challenge

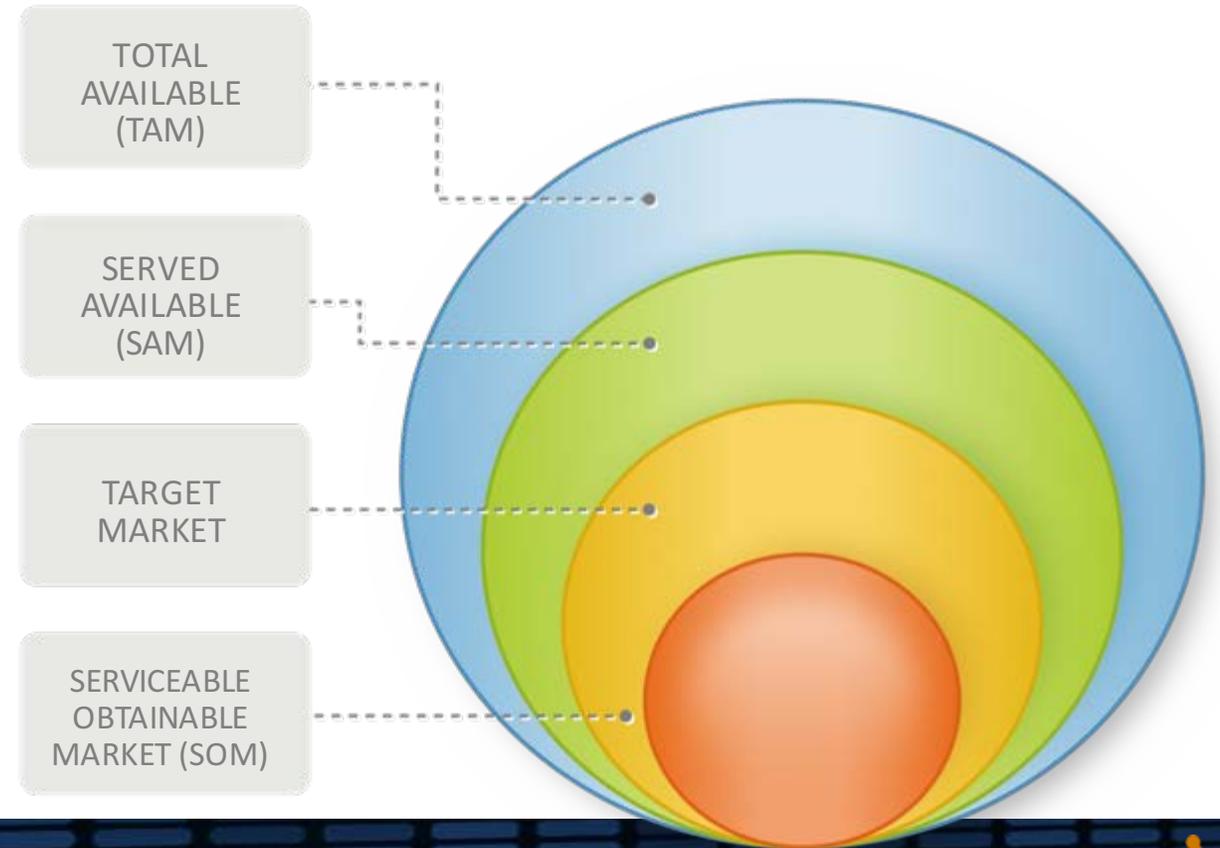
- Roxar lacked an understanding of actual buyer and user behavior
- Roxar's strength was in large-scale business-continuity solutions
- Cloud app backup market was early and very fragmented
- Roxar needed a quick path to the market
- Goal was to identify an emerging segment with high potential

“The essence of strategy is choosing what not to do.”

— Michael Porter

Success Story: Roxar

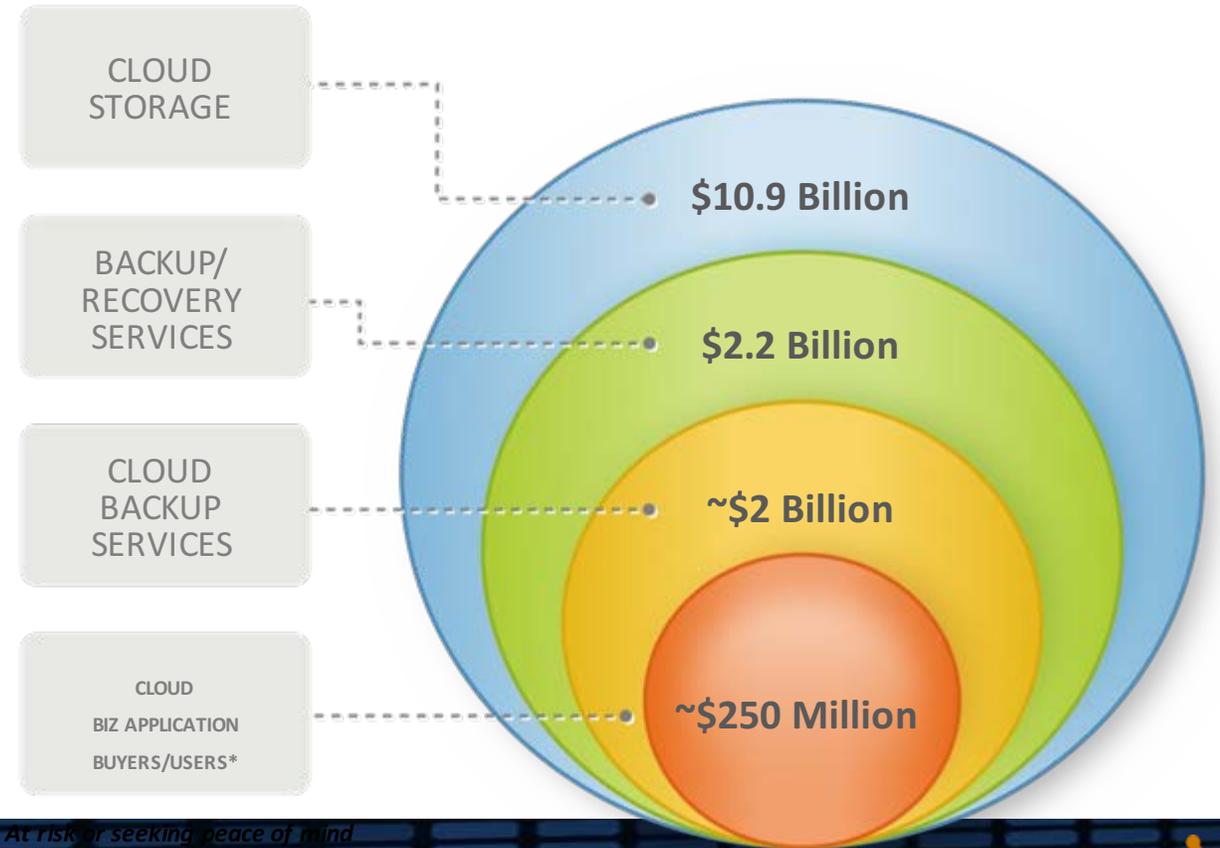
- What job is the buyer or user trying to get done?
- What problems do we solve?
- How do buyers/users view this problem?
- What alternatives are available to them?
- How are they likely to find or a solution?
- What are the specific *use cases* that apply?



Success Story: Roxar

» The Solution

- Apply outside-in analysis
- Avoid overanalyzing
- Incorporate lean planning
- Test selected segment with positioning statements



* At risk of seeking peace of mind

What Did They Learn — Best Practice

- » Assessing new market opportunities starts with an internal assessment
 - Distinctive competencies
 - Value proposition
 - Channel/distribution strategy



What Did They Learn — Best Practice

fact-based insight

Assessing and selecting new markets is not a science. It is an aggregation of formal research, customer data, channel research supported by fact-based insight.

What Did They Learn — Best Practice

experiential knowledge

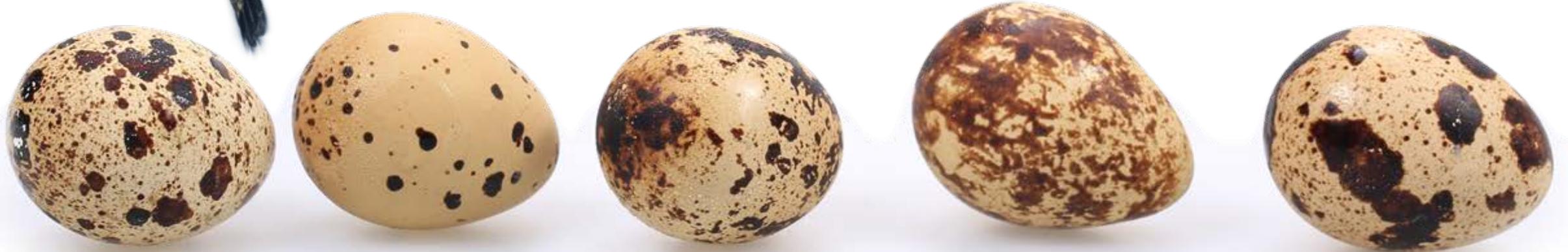
Product manager's knowledge of buyers and users and their unique problems give them a decisive role in selecting and validating the market opportunities.

What Did They Learn — Best Practice

remain flexible

A high level of precision is not possible at this stage, nor is it desirable. Commit to lean principles—missteps are inevitable; be willing to pivot quickly.

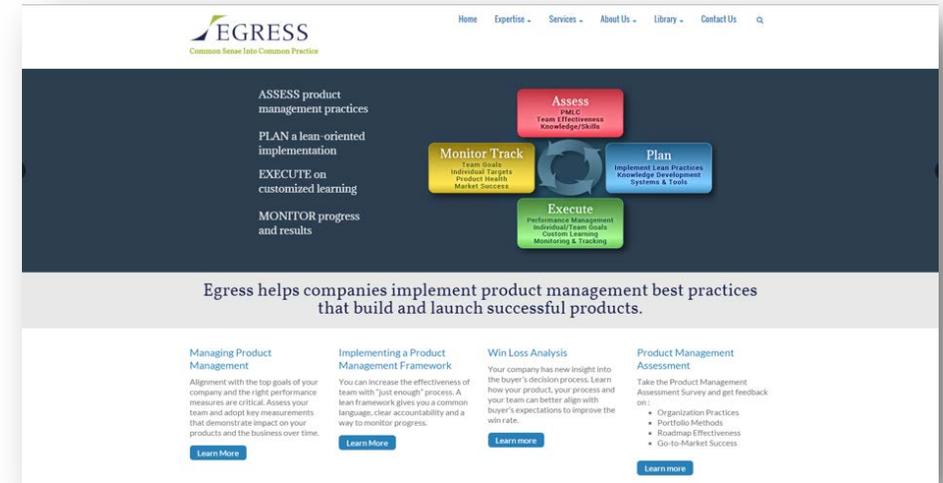
What Did They Learn — Best Practice



granular segmentation

The more granular we are in segmentation, the greater the opportunity to seize significant market share.

Additional Resources



Contacts



John Milburn | jmilburn@pragmaticmarketing.com



Mike Smart | msmart@egresssolutions.net



Rebecca Kalogeris | rkalogeris@pragmaticmarketing.com | @pragmaticmktg

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for attending!

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Program Effectiveness

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APR Program Effectiveness	MAY Pricing	JUN Thought Leadership
JUL Asset Assessment	AUG Event Support	SEP Competitive Landscape
OCT Business Plan	NOV Marketing Plan	DEC Roadmaps



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