



# The Strategic Marketing Process

*And the Role of Market Research*

# You may remember us as...

---



And now we're...



*Corona  
Research has  
evolved over the  
past 10 years to  
provide much  
more than  
research.*

Thanks to the



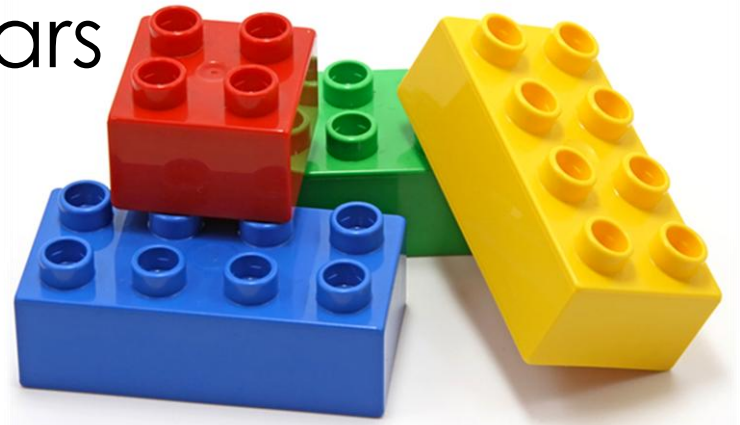
# Our goals today...

---

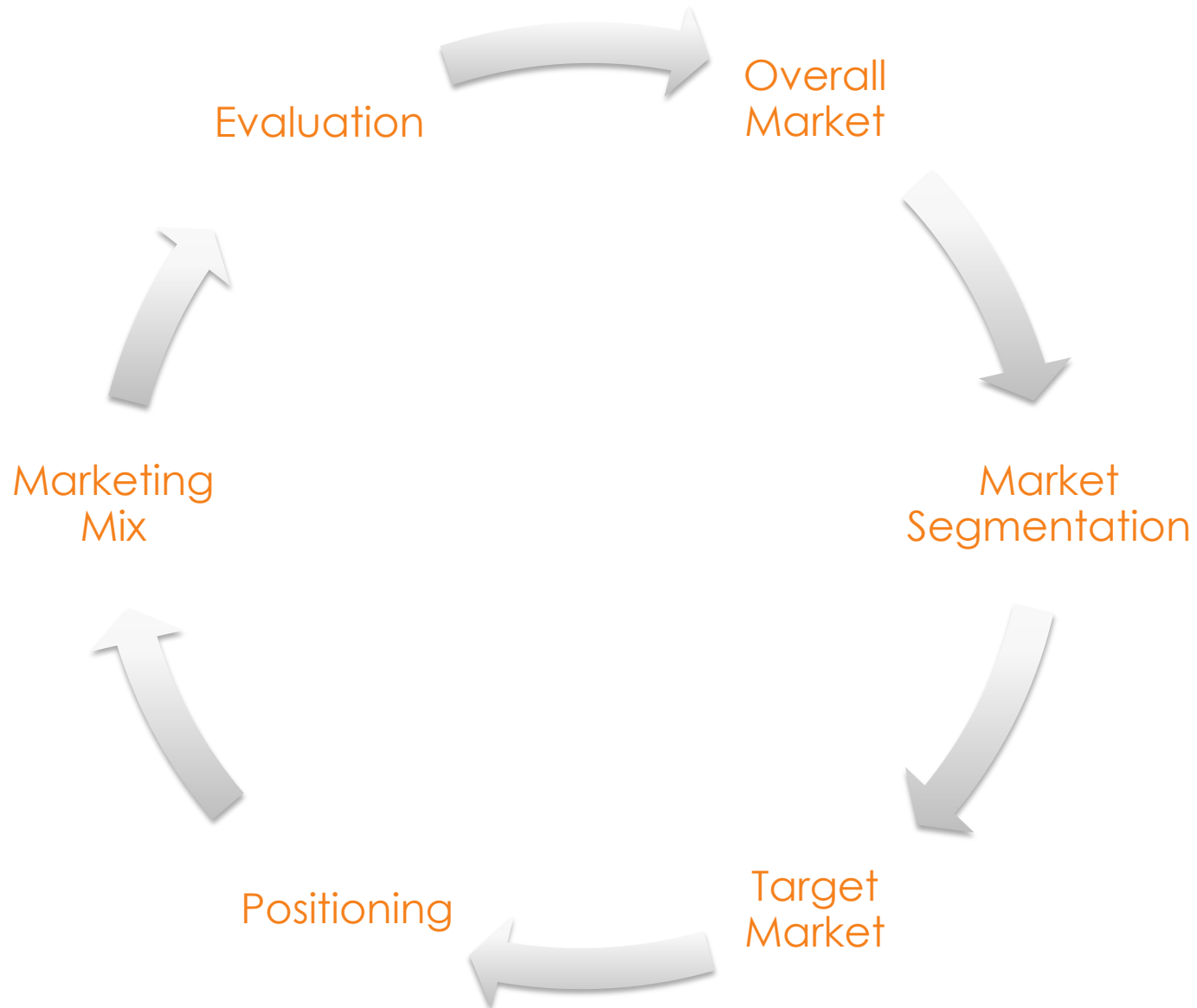
- What is the strategic marketing process?
- Where are you (or is your client) in the process?
- What important questions need to be addressed?
- How will these be answered (through market research)?

# Strategic Marketing: Why Bother?

- It forms the building blocks for successful marketing
- It's includes all major elements of a marketing plan
- It's the key for efficient and optimal use of marketing dollars
- It's results-oriented



# Strategic Marketing Process



# About the Strategic Marketing Process...

- Setting it up (the first time) and going through it takes time and resources
- It's a continuous process
- It's scalable
- It can apply to either b-to-b and b-to-c
- It can apply to either current or potential customers

“If you don't know where you are going,  
any road will get you there.”





Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## Overall Market:

*Your important questions:*

- What current (potential) market does my business serve?
- What is the size of this market?
- What does this market look like?

Overall Market

Market Segmentation

Target Market

Positioning

Marketing Mix

Evaluation

## *About Overall Market*

- Your relevant market is what is important
- A complete understanding is probably never possible, but some understanding is better than none
- A holistic approach is required
- A variety of research tools and information may be used

## A b-to-b example – (**Market Size**):

- A manufacturer of “surface mount technology”
- Surprised in “all other” category for market share in U.S.
- Current database = 8,465 plants
- Universe = 45,600 plants
  - ⇒ By: State / ZIP / Industry Class / Industrial Production

Demographic  
Analysis

Survey?



Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

# Market Segmentation

*Your important questions:*

- Who are my (potential) customers?
- What do they look like?

A photograph of a winding asphalt road through a forest. The road curves to the right and then back to the left. The scene is bathed in a warm, golden light, suggesting sunrise or sunset. The sun is a bright, glowing orb in the distance, partially obscured by the trees, creating a lens flare effect. The trees are mostly bare, indicating a cooler season. The overall mood is serene and contemplative.

*How will we get there?*



Overall Market

Market Segmentation

Target Market

Positioning

Marketing Mix

Evaluation

## *About Segmentation:*

The process of dividing up a total market into subgroups with similar characteristics

- It recognizes current/potential customer markets are not all the same
- It's a continuous process and a journey
- It's customer-centric
- It's not just about demographics
- Allows for metrics

Overall Market

Market Segmentation

Target Market

Positioning

Marketing Mix

Evaluation

A b-to-b example:

→ Human Resources/Legal Services Provider

## # of Firms by Industry - Colorado

Demographic Analysis

Firms in Colorado	Number of Firms	Percentage of Firms
Agriculture	734	3.0%
Mining	206	0.8%
Construction	2,898	11.7%
Manufacturing	1,925	7.8%
Transportation, Communications, and Utilities	1,054	4.3%
Wholesale Trade	1,391	5.6%
Retail Trade	4,542	18.4%
Finance, Insurance, and Real Estate	1,862	7.5%
Services	9,602	38.8%
Public Administration	531	2.1%
<i>Total</i>	24,745	100.0%

Case Study

*Continued...*

## Proportion of Firms by Size - Colorado

Size of Firms	Percent of Firms
5,000 - 9,999	0.01%
2,500 - 4,999	0.02%
1,000 - 2,499	0.05%
500 - 999	0.07%
250 - 499	0.15%
100 - 249	0.47%
50 - 99	0.96%
25 - 49	2.00%
10-24	5.99%
5-9	9.15%
2-4	34.02%
1	29.35%

Demographic Analysis

Continued...

## → Market Penetration by Segment

Demographic Analysis

	Number of Employees					
	100+	25-99	10 to 24	5 to 9	2 to 4	1
15 Building Cnstrctn - General Contractors & Operative Builders	42%	10%	1%	1%	0%	0%
16 Heavy Cnstrctn, Except Building Construction - Contractors	55%	9%	2%	1%	0%	0%
17 Construction - Special Trade Contractors	32%	3%	0%	0%	0%	0%

## Number of Firms by Size

	Number of Firms					
	100+	25-99	10 to 24	5 to 9	2 to 4	1
15 Building Cnstrctn - General Contractors & Operative Builders	39	166	433	739	2,586	5,202
16 Heavy Cnstrctn, Except Building Construction - Contractors	40	104	116	140	324	206
17 Construction - Special Trade Contractors	100	616	1,284	1,720	6,325	5,798

*More b-to-b examples:*

→ Commercial software program

→ *Potential Customer Segments:*

⇒ Students

⇒ Small business

⇒ Corporate R &D – university

⇒ Large conglomerates

⇒ Consultants

Focus Groups/  
Conjoint  
Analysis

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

*More examples:*

→ Package delivery company

→ *Current Customer Segments*

⇒ Premium

⇒ Performance

⇒ Transactional

IDI's with  
dozens of  
Customers

## A b-to-c example:

→ Consumer banking side

→ Current Customer Segmentation

⇒ Youth (<18)

⇒ Getting started (18-35)

⇒ Builders (35-50)

⇒ Accumulators (50-60)

⇒ Preservers (>60)

Data  
Analytics/  
Modeling

Focus Groups  
and Surveys

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

*Another b-to-c example:  
Craft Beer Customers*

→ Beer Connoisseurs

→ Cost Conscious

vs.

vs.

→ Non-Connoisseurs

→ Environmentalist



Cluster  
Analysis

Case Study

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## Target Market

*Your important  
question:*

→ How do I choose  
a Target Market?



Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## *About Target Markets:*

- Still a continuous process / journey
- May not always be clear (that's okay)
- Further definition/exploration is often necessary – “deep dive”
- Profitability is going to be a key

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

*A b-to-b example:*

*Human Resources/Legal Services  
Provider*

Demographic  
Analysis/  
Consulting

- “Scale Down” strategy (enter new size category – i.e. from 100+ to 25-99)
- “Educate” strategy (enter new industry category, same size)

Case Study

Continued:

→ Estimate # of potential customers  
Scale Down (to 25-99)

<b>SIC Category</b>	<b>New Firms</b>
86 Membership Organizations	150
79 Amusement and Recreation Services	95
80 Health Services	87
87 Engineering, Accounting, Research, Management & Related Svcs	64
Etc.	
<i>Total</i>	396

Secondary  
Data Analysis

Educate

<b>SIC Category</b>	<b>New Firms</b>
55 Automotive Dealers and Gasoline Service Stations	25
67 Holding and Other Investment Offices	19
58 Eating and Drinking Places	18
73 Business Services	15
Etc.	
<i>Total</i>	77

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

*A b-to-c example:*

- Target sub-segments
- “Getting started” (18-35) – medical and dental students, and interns
- Preservers (over 60) – “snowbirds”

Data Analysis,  
Focus Groups,  
Surveys, IDI's



Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

# Positioning

*Your important questions*

- What is my positioning strategy?
  - Low cost
  - Differentiation



Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## Marketing Mix

*Your important questions:*

- How do I effectively reach those in my target market?
- How do I position to this market to differentiate from competitors?



*How do I effectively reach my target?*

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## *About your Marketing Mix:*

- Products/services needs
- Pricing
- Sales channel
- Right message/communications  
(testing)

Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

*A b-to-b example:*

*HR/Legal Services Provider*

➔ For “scaledown” or “educate” markets

⇒ Needs for services

⇒ Unique motivators or barriers

⇒ How to best reach (typical decision maker)

⇒ Perceived value of service

Focus Groups

Case Study

## A b-to-c example:

### → “Snowbird Package”

⇒ Testing

⇒ Package

> Travel insurance, real time transfers, easy access to Canadian funds, etc.

Focus Groups,  
IDI's

### → Students

⇒ Tailored Program

> Help with student loans, loans for med equip. for new practices, initial mtgs for 1<sup>st</sup> office, etc.



Overall Market

Market  
Segmentation

Target  
Market

Positioning

Marketing  
Mix

Evaluation

## Evaluation

*Your important questions:*

- Did we gain customers/increase revenues?
- Are we profitable?
- What is our return on marketing investment?

*Moving the needle.*



## *About Evaluating:*

- Can usually be done with internal data
- Should be set up to measure the exact goals you set out for (and segment-specific)



## *A b-to-c example:*

- ➔ Within the young (medical professionals) sub-segment
  - ⇒ Market share from 2 to 18%.
  - ⇒ Revenue 3.7 x that of avg. customer
  - ⇒ Likely lower attrition rate
- ➔ Within the snowbird sub-segment
  - ⇒ 250% increase in EBT.
  - ⇒ 45% decrease in defection rate.

# Insights and conclusions

## **Strategic Marketing:**

- Is a deliberate, step-by-step process that is continuous
- Is a process wherein decisions are informed by market research throughout
- Is the core of your marketing plan
- Assists in optimizing marketing resources and achieving best return on marketing dollars



Questions?



A person in a dark suit is walking away from the camera towards a bright sunset over a vast, flat landscape. The sun is low on the horizon, creating a strong silhouette effect. The sky is filled with warm, golden light, and the ground is a flat, light-colored expanse.

Thank you and adjourn!

Leo Lewis  
Principal, Corona Insights  
[Leo@CoronaInsights.com](mailto:Leo@CoronaInsights.com)