

## HIGH-DEFINITION NEWS PREMIER EDITION

**Welcome to the premier edition of High-Definition News**, e-news for our clients, colleagues, and others interested in strategic marketing and in clarifying marketplace opportunities.

Our aim is to bring you brief, but thought-provoking content and nuggets of marketing wisdom from our experience and from the experience of others in an easy-to-digest format. It will be a "quick read" to stimulate your thinking.

*High-Definition News* is brought to you by High-Definition Consulting Group, a San Francisco-based marketing and business consulting firm that specializes in identifying and clarifying marketplace opportunities.

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### **BUSINESS IS MARKETING**

Business is marketing, isn't it? And markets are still conversations, right? So, in coming months we will explore with you numerous topics in the vast field of marketing, from the packaging of political candidates to the new "a la carte" unbundling of services by airlines.

We'll kick off the conversation with a brief article about the emerging opportunities in the exploration of non-traditional markets. This article, recently published in *B2B Magazine*, *Silicon Valley Biz Ink*, *Opportunity World* and other publications, follows:

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## **As Economy Recovers, Opportunities For New Markets and Products Abound**

**By Clark Crowdus**



After nearly four years of slash-and-burn cost-cutting, the U.S. economic recovery is awakening corporate America to opportunities in non-traditional markets.

While you don't have to be a corporation with massive resources to grow your business by exploring non-traditional markets and creating products that appeal to them, you do have to have a method that can help you gain clarity and keep it as the dynamics of the environment continue to change.

These basic steps can help your company identify viable non-traditional markets and reduce your

risk of making a bad call. Following is a basic outline for managers who are considering exploring non-traditional markets:

- 1) Identify target demographic groups or industries which are underserved** - You probably already know who buys your products and how to reach them. Now, ask who has been shunned and why? Or, ask *who is shunning you and why?*
- 2) Scale the market** - Understand the size of the target market and whether the market meets standards for critical mass and profitability. The rule of thumb is: the larger the universe of potential customers, the larger the potential for profit because you can reduce margins based on volume.
- 3) Be aware of distribution** - Take the economics of your distribution network into consideration. For example, in the case of information technology resellers, the wholesalers, such as Microsoft and IBM, continue to slash prices to build market share, while their resellers' costs remain fixed or continue to rise, putting pressure on resellers' profits.
- 4) Survey the market** - With capacity and distribution issues worked out, research - the blocking and tackling of marketing - is next. Understand how consumers shop and buy in the target group. Profile statistical characteristics such as purchase frequency and purchase amount. Study the sociology of shopping in the target group. Follow or shadow consumers to understand behavior.
- 5) Establish value propositions** - Based on research, establish value propositions for the target market. If you serve a number of industries, use a matrix to outline key propositions for each industry.
- 6) Create and position the product** - If you have an existing product, a non-traditional market could be a new distribution channel for it. Where does your product fit in versus your competition? Also, consider changing the configuration of a product. A basic unit of Coke used to be a 6.5-ounce glass bottle. Today, we all know about the 32-ounce "Big Gulp" at 7-Eleven.
- 7) Develop a communications plan** - Create a plan to reach the target audiences using advertising, direct mail, and publicity. Consider partnering strategies with other established brands to drive awareness and sales.

As the national economy climbs out of the doldrums and globalization continues to open up new markets and market niches, the time couldn't be better for exploring new markets. But the dynamism of the world and national economies - and of business in general - requires clarity in marketing strategy and tactics. Be sure you have a system for gaining clarity at every step of the process.

***Your feedback is welcomed and should be directed to Clark Crowtus, Principal, High-Definition Consulting Group at [clark@high-def.biz](mailto:clark@high-def.biz).***

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## RESOURCES:

The following resources are recommended by High-Definition Consulting Group:

**Journal of Business Marketing**

<http://aux.zicklin.baruch.cuny.edu/jbbm/>

**Association of International Product and Marketing & Management**

<http://www.aipmm.com/>

**Business.com (marketing in Asia)**

[http://www.business.com/directory/government\\_and\\_trade/commercial\\_guides/asia/](http://www.business.com/directory/government_and_trade/commercial_guides/asia/)

**KnowThis.com**

<http://www.knowthis.com/internl/>

**Web Marketing Info. Center**

[http://www.wilsonweb.com/cat/cat.cfm?page=1&subcat=mm\\_Global](http://www.wilsonweb.com/cat/cat.cfm?page=1&subcat=mm_Global)

**Marketing Page of About.com**

<http://marketing.about.com/od/marketingblogs/>

**Allbusiness.com**

[http://www.allbusiness.com/articles/SM\\_articles.asp](http://www.allbusiness.com/articles/SM_articles.asp)

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**PAY IT FORWARD - If you find any material in this or future newsletters of interest to your clients, colleagues, or friends, feel free to forward it to them with our compliments!!!**

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**High-Definition News is a publication of High-Definition Consulting Group, 33 Lupine Avenue, Ste. 300, San Francisco, CA 94118 ([www.high-def.biz](http://www.high-def.biz)).**

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