



Strategic Marketing Fundamentals

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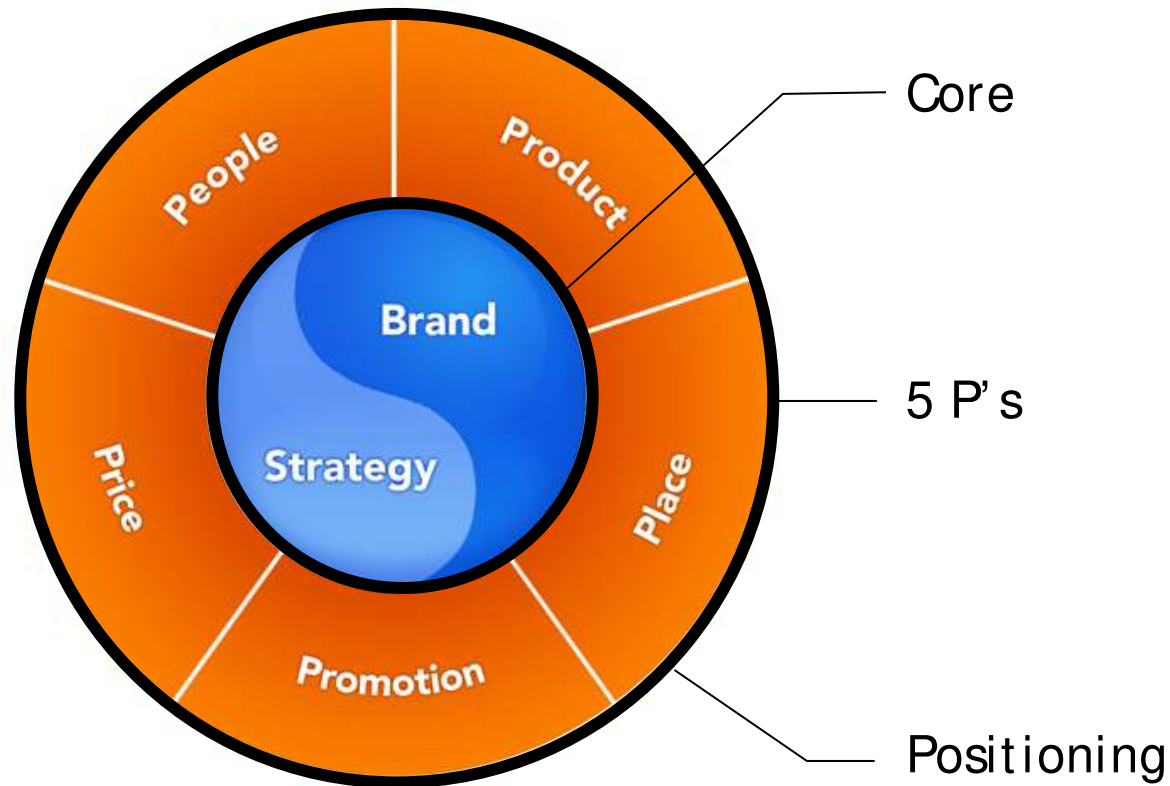
Introduction

- **Competitive Pressure has never Been Greater**
- **Management Expectations are High**
 - **Annual Growth**
 - **Wins/Losses**
 - **Visibility**
- **Budgets are Tight**
- **Must Do More With Less**
- **Produce Results Right Away**

Strategic Marketing can Help...
... We'll Show You How!

Strategic Marketing Model

Components & Relationship

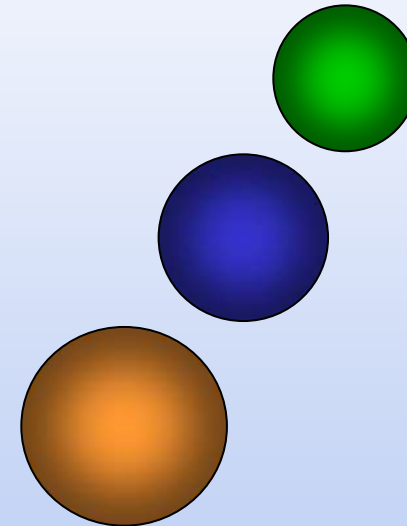


Brand & Strategy

Align Organization, Brand, Goals



- **Organizational Foundation**
 - Vision/ Mission
 - Corporate Values
 - Goals/ Objectives (short/ long-term)
 - Guiding Function
- **Brand(s)**
 - Concise Description
 - Market Segment(s)
 - Brand Strategy
 - Visibility
 - Noise
- **Organizational Structure**



Tune Elements to Assure Alignment

Brand & Strategy

Supporting Research



- **Environmental Analysis**
 - Industry Research, Analysis, & Trends
 - Strengths, Weaknesses, Opportunities, Threats (SWOT)
 - Competitive Analysis (significant competitors)
 - Relative size and growth
 - Pricing & positioning
 - Win/loss record
- **Historical Information**
 - Financial Results & Analysis (3-5 years)
 - Performance by product/segment
- **Current Sales Materials**
 - Corporate brochures
 - Product brochures
 - Promotions
 - Website

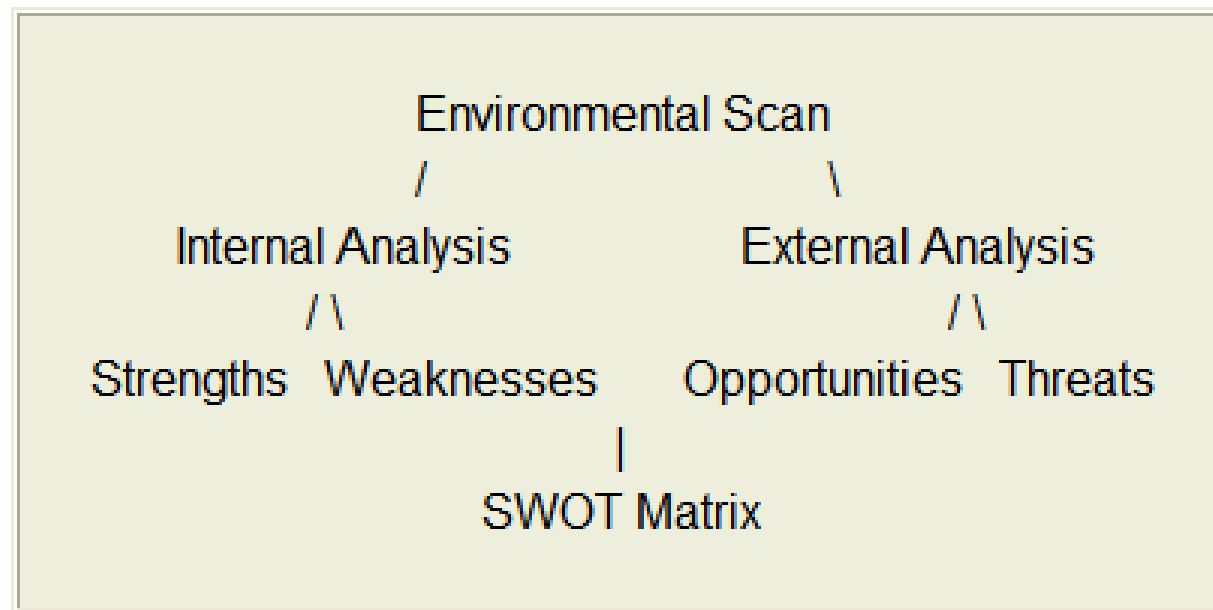
Importance Varies by Size, Stage, Market, ...

Brand & Strategy

Analytical Tools: SWOT



SWOT Analysis Framework



Brand & Strategy

Analytical Tools: SWOT



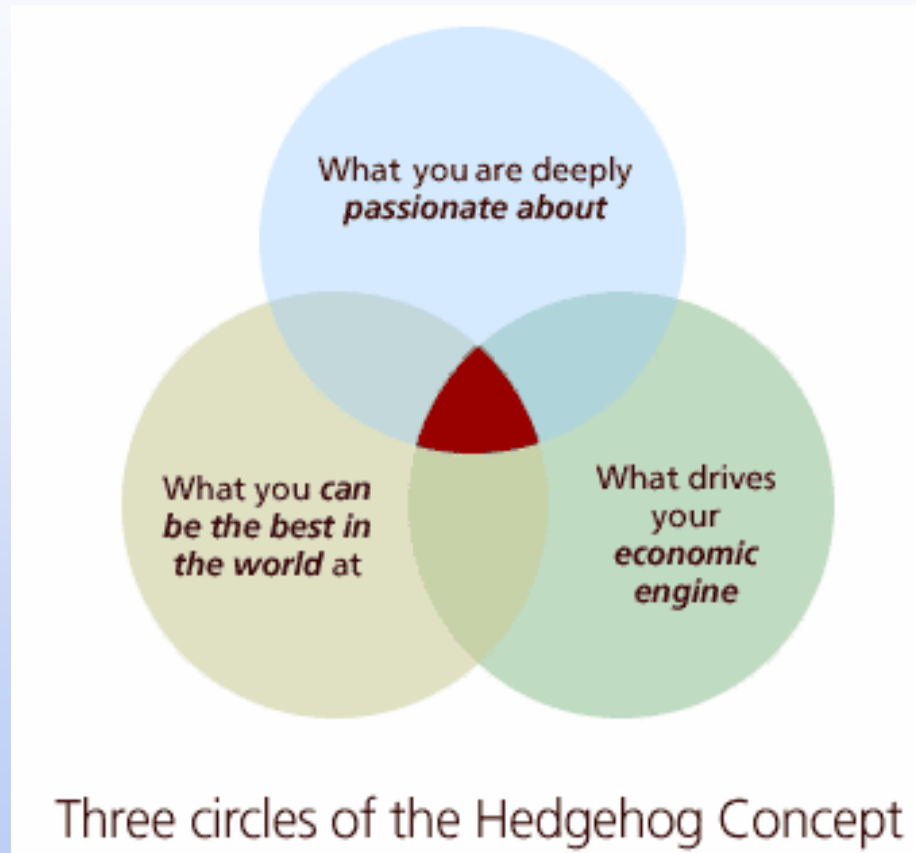
| | | |
|-------------------|----------------------|-------------------|
| | Strengths | Weaknesses |
| Internal* | | |
| | Opportunities | Threats |
| External** | | |

* rank based on importance

** rank based on likelihood and consequences

Brand & Strategy

Hedgehog Concept



Source: Good to Great, Jim Collins, 2001

People

Know Your Prospects



- **Who are your customers?**
 - Current customers
 - Target prospects
 - Demographics
 - Market size
- **Where is their pain?**
- **When do they need to act?**
- **Who is the decision maker?**
- **Who are the key influencers?**
- **What are their buying behaviors?**

Product

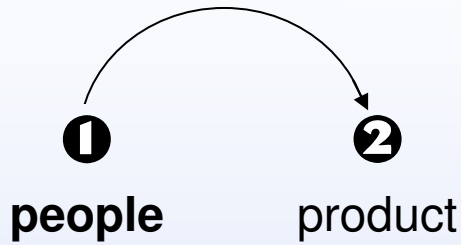
Primary Elements



- **Product Benefits**
- **Distinctive features**
- **Competitive differentiation**
 - Unique
 - Meaningful
 - Sustainable
- **Product requirements**
- **Production cost**
- **Market window**

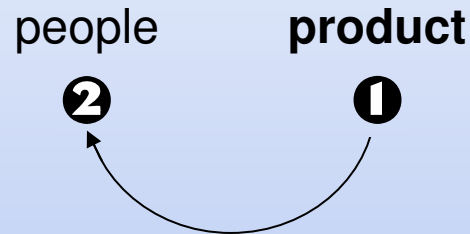


People & Product Synchronize

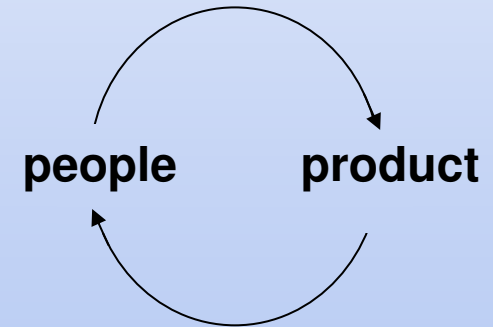


Sometimes...
Start with People

Sometimes...
Start with Product



Ultimately...
Synchronize Both



Price

Three Key Factors



- **Cost of Goods**
- **Value**
 - $ROI(\text{value produced} - \text{cost}) / \text{cost}$
 - reduce expenses
 - grow revenue
 - save time
 - Personal Utility
 - Intangibles
- **Competition**
 - Comparative value
 - Discounting
 - Response



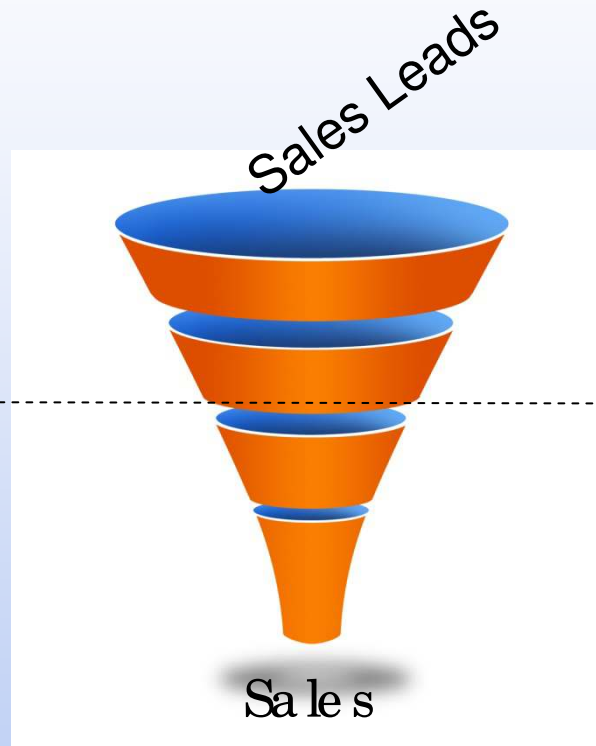
Place

"Process" of Selling



Marketing

Sales



Prospect

Qualified Lead

Opportunity

Quote

Place

Channel Selection



- **Volume**
- **Price point**
- **Completeness of solution**
- **Complexity of sale**
- **Channel choices**
 - Direct response
 - Inside tele sales
 - Outside sales
 - Channel partners

Channel Compatible With Product and Buying Behavior

Promotion

Messaging Matrix



| Audience | Concerns | Message Focus | Key Messages |
|----------|-------------------------|--|--|
| CXO | Minimize Operating Cost | Reduce the cost of getting to market with high quality product | <ul style="list-style-type: none"> Acme offers lower rates than onshore resources and Indian firms with greater workforce stability Competitive forces require outsourcing; the blended model and process control reduce risk and assure high quality products |
| | Strategic Advantage | Become the most cost effective producer in your market segment | <ul style="list-style-type: none"> Leverage your core team to do strategic work and use low cost offshore resources for the routine Acme offers an army of experts on tasks that can support the most effective use of internal talent |
| | Operating Flexibility | Scale up or down quickly based on business requirements | <ul style="list-style-type: none"> Acme has a staff of thousands waiting to go to work for you on-demand Offshore staff can be reduced without any of the complications associated with actual employees |

Add more rows as needed . . .

One Matrix for Each Decision Maker or Influencer

Promotion

Select Optimal “Mix”



- **Advertising**
 - Online (Web site)
 - Direct response
 - Print
 - Broadcast
 - Outdoor
 - Events
- **Public Relations**
- **Viral**
 - “Word of mouth” on steroids
 - Online or offline
- **Other...**

Promotion

Online: Factors to Consider



- **Reach**
- **Active vs. Passive**
- **Objective**
 - Build rapport
 - Generate leads
 - Close sales
- **Choose tools**
 - Website
 - email
 - Webinars
 - Affiliates
 - Articles
 - SEO / PPC
 - Banners
 - Blogs' s/ RSS
 - newsgroups



Promotion

Assign Budget to “Mix”



- Sales Collateral (3 pieces) \$ 10,000
- Sales presentation \$ 5,000
- Assessment campaign depends on capacity
- Speaking engagements time & materials
- Web site (optimized) \$12,000
- SEO/PPC \$ 3,500 + \$1,000/mo
 - Optimized press releases
 - White papers (placement & linking) *content developed internally*
 - Articles (placement & linking)
- Newsletter \$ 1,000/mo
- Webinar(s) opportunistic



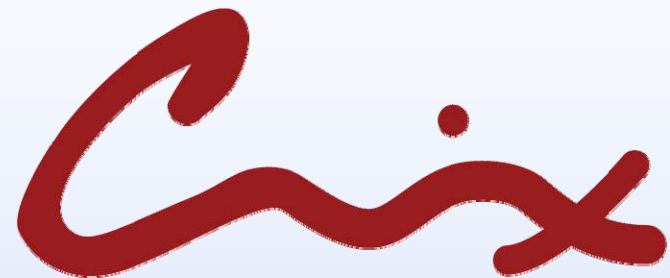
Promotion

Formal Marketing Plan



| | | 2006 | | | | | |
|--------------------------------------|---------|--|---------|---------|---------|---------|--------------|
| | | Sep | Oct | Nov | Dec | Jan | |
| eMail Newsletter | Rick F. | 7-Sep | 17-Oct | 14-Nov | 12-Dec | 16-Jan | |
| New Product Roll-out | Sue. P | started 8/23 2-Oct 30-Oct 30-Oct 20-Nov 20-Nov 4-Dec 11-Dec 11-Dec 11-Dec 11-Dec 8-Jan 8-Jan 8-Jan ongoing | | | | | 8-Jan |
| - software project delivery | Rick F. | | | | | | |
| - Acme internal usage | John N. | | | | | | |
| - reviewer usage | John N. | | | | | | |
| - documentation | Steve P | | | | | | |
| - beta customers | Jim F | | | | | | |
| - customer collateral | Sue P. | | | | | | |
| - testimonials | Jim F | | | | | | |
| - analyst briefings | PR Co. | | | | | | |
| - editor interviews | PR Co. | | | | | | |
| - online demo | Jim P | | | | | | |
| - Web site changes | John N. | | | | | | |
| - press release | PR Co. | | | | | | |
| - email release | PR Co. | | | | | | |
| - Webinar(s) | Rick B | | | | | | |
| - other promotions | staff | | | | | | |
| SEO/PPC | | ongoing | - | - | - | - | |
| - monthly report | SEO Co | ongoing | - | - | - | - | |
| - adjust budgets | Sue P | ongoing | - | - | - | - | |
| - optimize keywords | SEO Co | ongoing | - | - | - | - | |
| Public Relations | | | | | | | |
| - feature releases | PR Co | | | | | | |
| - editor interviews | PR Co | ongoing | ongoing | ongoing | ongoing | ongoing | |
| - case studies | Sue M. | | 15-Oct | | | 15-Jan | |
| Other projects | | | | | | | |
| - Webinar quote | Rick B. | 26-Sep | | | | | |
| - Direct mail program | Rick B. | | 15-Oct | | | | |
| - context specific toll-free numbers | Qwest | | 15-Oct | | | | |
| - online lead qualification | Sue P. | | | 5-Nov | | | |
| - online affiliates | Sue P. | | | | | | |

Assign Owners, Execute, and Track Progress!



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Wilson Zehr

CEO

Cendix



Wilson Zehr

Wilson is the CEO of Cendix (www.cendix.com) the leading provider of Web-to-print solutions that increase sales both online and offline. Cendix also provides strategic and tactical marketing consulting services for emerging growth companies in the Pacific Northwest. In addition, Wilson serves on the faculty for the School of Management at Concordia University, Portland, Oregon (www.cu-portland.edu).

Wilson Zehr has 25 years experience in high technology and telecom – over a decade of experience working with Internet-related products and services. He has created numerous new products/brands and successfully brought them to market. In addition, he has crafted and managed strategic alliances with many (20+) of the largest technology and communications firms in the world. Mr. Zehr is a serial entrepreneur who has raised over \$60 million from investors; returned over \$160 million; and bought/sold a number of enterprises.

More detailed background information on Wilson can be found at <http://www.cendix.com/about/management.html>

References are available on request