

Market  
Management:  
Making it Work

The logo for Filigree Consulting features a stylized, light blue grid pattern on the right side, composed of overlapping squares and rectangles. To the left of this graphic, the company name is written in a bold, dark red, sans-serif font. The word "Filigree" is on the top line, and "Consulting" is on the bottom line, with the grid pattern partially overlapping the letters of "Consulting".  
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## Critical Success Factors

The following are critical success factors for a Market Management implementation:

- Beginning with the end in mind
- Executive commitment to the potential changes and their implementation
- Developing a team
- Commitment of appropriate time and resources
- A systematic approach to change.





## Beginning with the End in Mind

Typically, the end goal of a Market Management implementation is increased competitive advantage. In the Market Management process the goal, competitive advantage, is achieved by:

Defining market segments

Selecting those segments that will provide the best returns

Implementing go-to-market strategies and solution offers that best satisfy the needs of the selected segments.

This sequence of actions moves the firm to its desired outcome or goal. It provides cost advantages through sales, marketing and development cost reductions. It also provides differentiation advantages by addressing specific customer needs.

To make effective decisions at each step in the sequence, we can work backwards from the end goal of achieving competitive advantage. That is, to achieve the end goal, an effective approach to the multi-level planning process must be implemented. To do multi-level planning, an effective means of segment selection must be implemented. To do segment selection, an effective approach to segmentation must be implemented. Each step is the necessary precursor of the following step. Decisions at each step should be made by considering the implications of the decisions on the subsequent steps. Ultimately, decisions made at each step should be made in terms of how well the end goal will be served.

## Executive Commitment

We cannot over-emphasize the need for executives and managers to understand, internalize and agree to what they are willing to change before engaging in this type of project. Level of commitment is a primary factor in determining the feasible scope of the project. Indeed, level of commitment is critical to deciding if the project should even be undertaken.



## Developing a team

It is strongly recommended that organizations undertaking a Market Management project form a cross-functional and cross-level team to guide the project and to participate in planning sessions during all phases of the project. The team should have representation from marketing, sales, business intelligence, marketing communications, management, executive sponsors, and product management. This team is generally called the core team. The team members quickly become the subject matter experts in the process and provide support to other teams who execute the portfolio and business planning phases of the project.

## Commitment of Appropriate Levels of Time and Resources

It may be obvious to the reader that a successful Market Management project requires considerable effort. However, experience shows that a number of businesses have begun Market Management projects without fully realizing the resources required. Market Management projects are not for the partially committed. They take people, money and time. The amount of resources required can be estimated. They are based on the project scope defined in the initial phase. Generally, however, the resources required will be significant.

Market Management is a way of doing business. It needs to be both pervasive and on-going to be successful.



## A Systematic Approach to Change

Successful Market Management projects produce change in the organization. Strategic level project can produce extensive and profound change. Change of such magnitude is best accomplished by employing a comprehensive approach to making Market Management work. Such change requires effort at several levels.

Leaders must establish a core concept for the firm that supports the need for planning, portfolio management and segmentation.

The overall strategy of the firm must be defined as an input to the planning process. Planners must receive sufficient direction from the strategy to make plans fit the firm's overall strategy.

Processes outside of Market Management must reinforce and integrate with the process. For example, the development and channels recruiting process must be integrated to accept input from Market Management.

Measurement of the process must enforce accountability.

People must be trained and given incentives to complete and execute the plans.

The corporate culture must support the use and development of plans. Planning can't be viewed as anti-tactical or wasteful.

The firm's use of technology must support the development and implementation of the plans.

Sufficient structure and infrastructure must be established to allow the plans to be developed and executed. Vision



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