

> BY CHARLES STEINLEN

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+ The Marketing Test

IS YOUR COMPANY PREPARING TO TAKE ON NEW MARKETS? TAKE THIS TEST FIRST.

The international market today offers numerous opportunities for companies from a variety of industries, including both product- and service-based organizations. This is the first in a series of articles dealing with these opportunities that will provide a framework for organizations to explore and then create strategies for expanding their businesses into these new markets. However, the application of the framework and principles provided can also help an organization improve its sales position within its own domestic market.

The articles will show how one applies a series of steps and activities in a systematic and highly focused manner. Each article will be connected to the articles that follow. It is suggested that you keep copies of each article so that you can see the connectivity between the articles.

The essences of the messages will suggest that everything a firm does must be market-driven and customer-focused. This, however, is easier said than done as this does require that the firm adopt an integrated strategic marketing approach.

It must be noted, however, that if one has difficulty in achieving success in one's own home market and in applying the prin-

ciples provided in the articles, success in an overseas market will be even more challenging.

As you may know, many countries are committed to developing their economies, to undergoing both political and economic transformations, to developing their infrastructures and to creating a strong middle class. These phenomena have created incredible opportunities for companies that have never ventured outside of their own domestic market. Thus, the articles are intended to take you through a series of steps that will allow you to ease your way into a foreign market.

To begin this adventure of exploring new markets, one must first undertake a critical and objective evaluation of one's existing business operations. Let's call this a brief marketing test. You need only to answer "yes" or "no" to 10 simple questions. You might want to also include some of your colleagues in the test as they each may have slightly different attitudes. Having seen three different attitudes in a company that only had three employees does suggest that there are differing opinions within organizations.

In the event that you answer "no" to a number of these questions, does not mean that your company is not successful. However, it might indicate that there are a number of issues and

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areas that you may want to examine.

Having observed numerous companies trying to enter new markets, it has become apparent as to why some are extremely successful and why other struggle and fail in this endeavor. This includes multinationals as well as small to medium size enterprises. These areas of failure will be brought out in future articles.

It should become quite obvious that a market-driven, customer-focused organization does have an advantage over the traditional ad hoc type of managed business. To achieve that advantage however, requires a great deal of coordinated effort on part of the firm. Again, the objective of these future articles will be to help you move forward in this endeavor of expanding your business into new markets, with an emphasis on moving into the international arena.

Each of the components in the test represents just one piece of an overall integrated marketing process. The coming articles will address these and other components and issues that will assist you in developing new opportunities for your firm.

1 Many companies have no formal, comprehensive, written marketing plan or strategies. At most they have a financial plan, but no well-defined strategic marketing plan.

Question: Does your company have a formal, written marketing plan that includes marketing objectives, marketing strategies and tactical action plans?

2 For many organizations, customer service is typically reactive rather than proactive.

Question: Does your company have a proactive customer service strategy in that it anticipates customer needs and problems rather than reacts to them?

3 A great deal of emphasis has recently been put on having an up-to-date customer database.

Question: Does your company make effective use of its database in the design of its marketing strategy?

4 For many organizations, sales training activities typically focus on providing pertinent product knowledge to the sales team.

Question: Does your company provide sales training that focuses on the development of the sales team's selling skills, not just on product knowledge?



Stay tuned
for the next
issue and the
next article
in this series



5 Developing new business or new market opportunities are often critical to the growth of an organization.

Question: Does your company employ any kind of formal market analysis/research to identify new business or market opportunities?

6 Advertising, public relations, sales promotion, etc. are often looked upon as independent communications tools and channels.

Question: If your company engages in any or all of these types of communications activities, do you believe that your organization is implementing an “integrated marketing communications strategy” which has well defined objectives?

7 Sales forecasting for any given year is often driven by the previous year’s sales results.

Question: In developing your organisation’s sales forecast, does the organization use market information, customer feedback and knowledge of its competitors as input into development of the sales forecast?

8 There is often the problem of a lack of coordination between the firm’s marketing department/unit and the other operating units.

Question: Do your firm’s operating units believe that their unit is there to support the execution of the firm’s marketing strategy?

9 There is typically no monitoring mechanism within the firm to determine why have or why haven’t the business results been attained. Companies often put the blame on external factors.

Question: Does your firm have any monitoring mechanisms that are able to identify why it is or why it is not achieving its objectives?

10 Determining how much money to spend on marketing or how many of the firm’s resources should be allocated to marketing is oftentimes decided by people who are not even attached to the firm’s marketing.

Question: Do you believe that your firm determines how much it should spend on marketing on the basis of specific calculations as to what it will take to achieve the company’s marketing objectives or to achieve the sales forecast? •mt