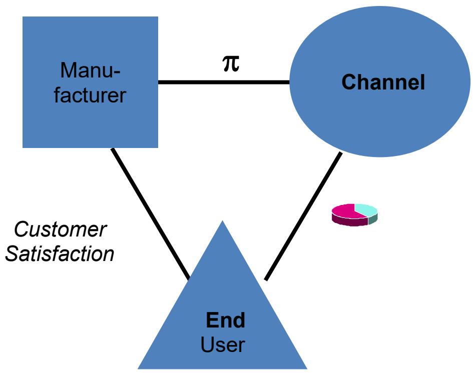
Go-to-Market Strategy—Lessons Learned in 50 Years of Consulting

Frank Lynn & Associates, Inc. (FL&A) has worked with close to 4,000 clients over the last 50 years. In most cases, those engagements focused on design, implementation, and/or optimization of go-to-market strategy. We have found that the impetus for these projects comes down to some combination of five reasons:

1. Revenue growth—a desire to growth the business, most often by capturing incremental market share
2. Profit growth—through improvement of gross margins, product mix, and/or customer mix.
3. Market penetration—most effectively bringing new products/services to market.
4. Productivity improvement—by optimal allocation and utilization of sales and marketing resources.
5. Alignment—ensuring go-to-market strategy and resources to stay in sync with changing market dynamics.

Go-to-market strategies are effective when companies consider and answer a limited set of questions that define the market operating environment and their role within it. We capture these questions in a framework labelled the "market delivery system." This framework captures all players in a market as well as the factors that drive relationships across each.



Market Delivery System Components

Any participant in a market must occupy one of three positions. Recognizing the who in each position will drive design of your go-to-market strategy

- **Manufacturer** – represents the producer of a product and/or service
- **Channel** – represents any entity that moves products/services, information, and/or money between the manufacturer and end user
- **End User** – represents any market participant who consumes goods/services and/or who's primary role is to specify product, brand, and source

Market Delivery System Relationships

- **Manufacturer to End User**—this relationship is defined by *customer satisfaction.* As end users have both the resources and knowledge to evaluate alternatives, the manufacturer who best understands how that user defines satisfaction and manages a go-to-market strategy to deliver it is most likely to win
- **End User to Channel**—channels are most likely to deliver the manufacturer's target end user when those channels have both the *capability* and *willingness* to do so. These factors are central to effective channel selection and management
- **Manufacturer to Channel**—the profitability of the go-to-market strategy is optimized in the manufacturer to channel relationship. Manufacturers optimize it by allocating the activities and roles required to satisfy the end user between itself and the sales channel and by compensating the channel appropriately for the roles it performs

FL&A brings objective, disciplined logic to help you assess your market structure and dynamics, then builds and execute the delivery system that defines your go-to-market strategies. By helping clients *map* the markets they desire to participate in, *monitor* market change and its impacts, and *facilitate* strategy design, we assure the go-to-market strategies are most effective and efficient toward delivering your business goals.

We will have more to say about the components of effective go-to-market strategy in future publications. However, if you believe that your go-to-market strategy needs a fresh look, then FL&A can help. You are welcome to contact Carl Cullotta at cpc@franklynn.com for further discussion.