

DTU 42435 – Spring 2014

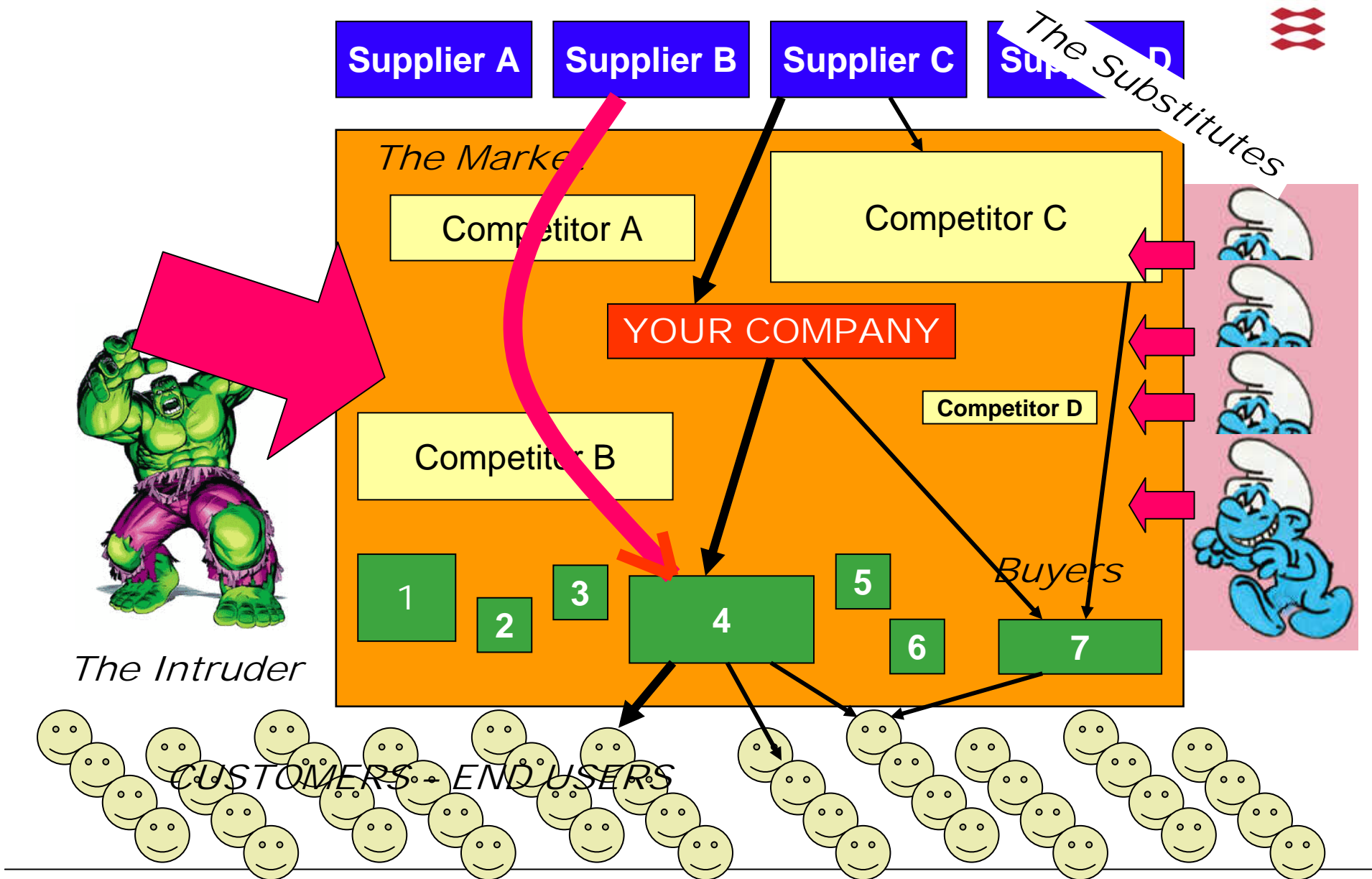
## 9. LECTURE

- **123 Simple site Morten Elk**
- **Market Economy**
- **Sales and Marketing**

# Market Economy

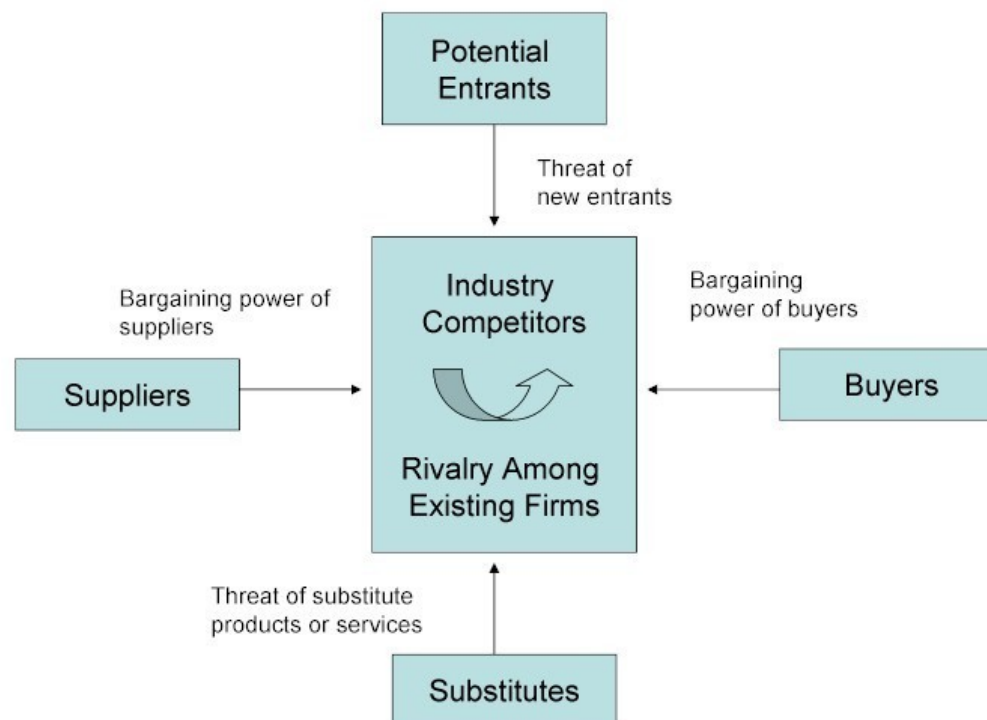
## AGENDA

- **Michael Porters Market Model**
- **The value Chain**
- **Market response to new products**
- **Market Analysis**
- **Marketing Planning**



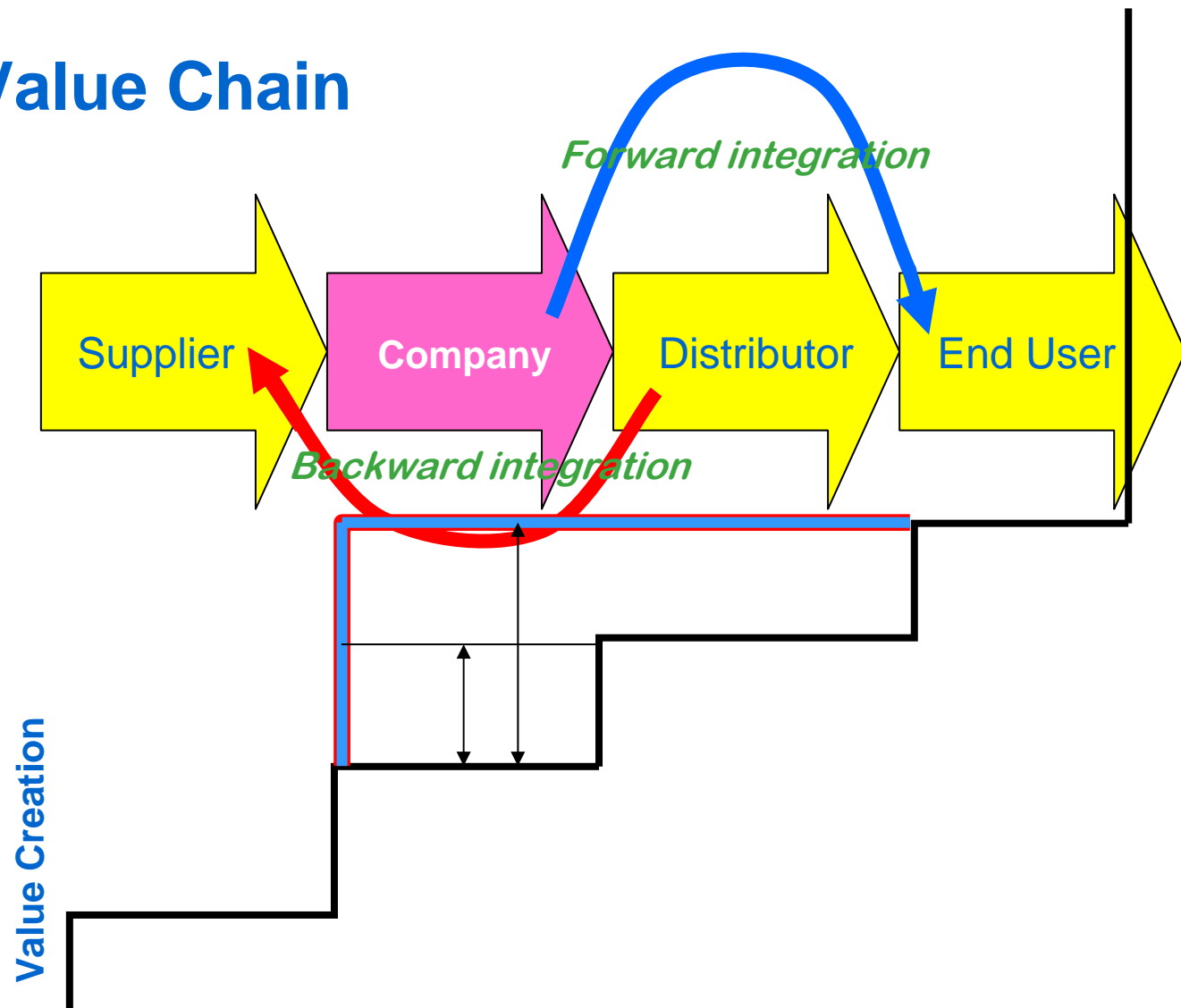
# Michael Porter's Five Forces:

1. Supplier Power
2. Buyer Power
3. Competitive Rivalry
4. Threat of Substitution
5. Threat of New Entry



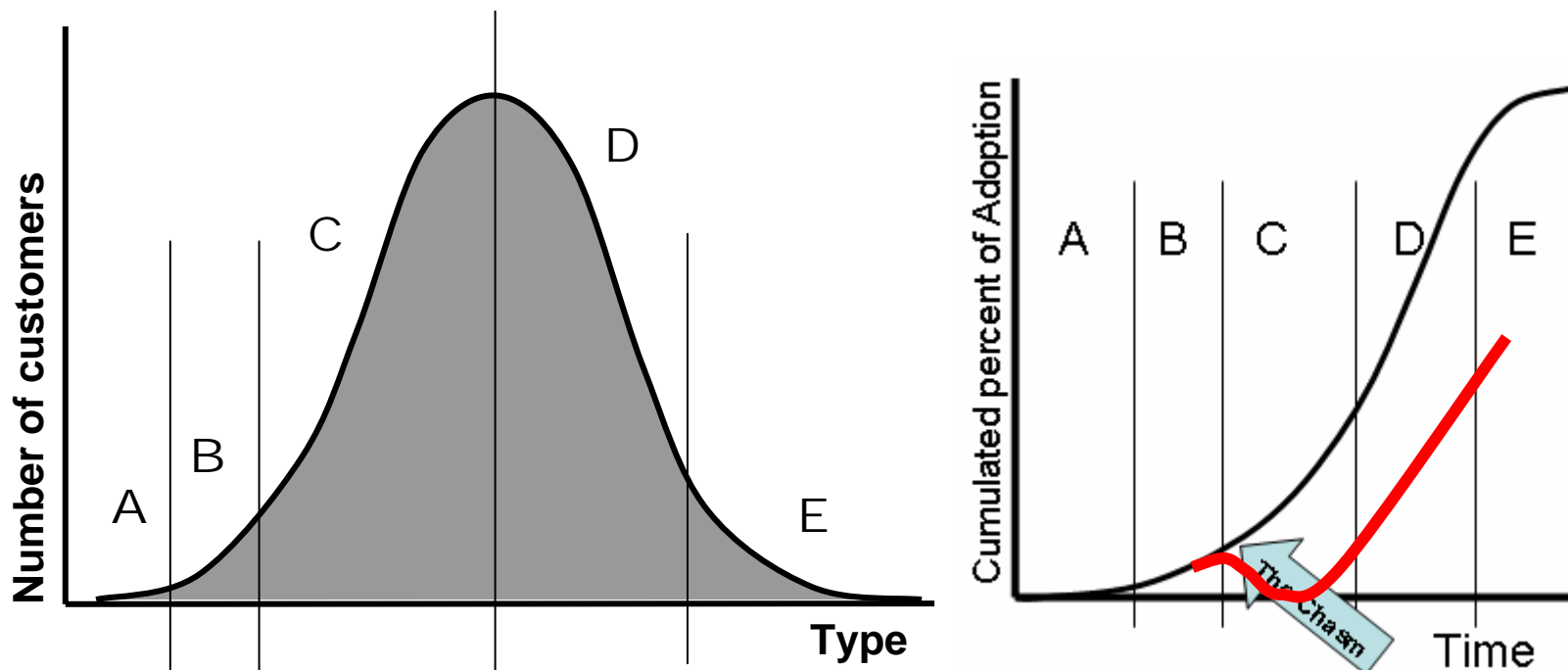
<http://www.quickmba.com/strategy/porter.shtml>  
[42435 note on MP5F](#)

# The Value Chain



## Market Response to new products

- A. **Pioneers** – love change and technology.
- B. **Early Adopters** – do too, but they are rational and particular
- C. **Early Majority** – no strong opinions, influenced by early adopters
- D. **Late Majority** – fat and lazy – and driven by early majority
- E. **Laggards** – hate you and buy only when they have to.



**Bridging the Chasm: real pain killing gets the early adopters to ring the bell!**

# Market Analysis Research

- Who are the customers?
- Who are the decision makers?
- Where are they – how many? (Demographical data)
- Why would they buy? (*Ask them!*)
- How much do they buy? (T/O in the market + trend)
- Any important market drivers?
- Competitors
- Suppliers
- Distributors + channels
- The value chain
- *Analysis by MP5F + conclusions*

*Now you can make your market entry scenario*

*And then you can make your BP + your budgets*

# Marketing Plan Execution!

- **Make a "pre-flight checklist"**

- **Preconditions for starting sales**

- Standards and approvals
    - Organizational preconditions
    - Subcontractor's agreements
    - Marketing materials
    - Launch – production - up scaling
    - Etc.: this is case sensitive stuff

- **Objectives**                      Quantify your success
- **Activities**                      Going in, staying, selling, producing, reporting
- **Resources needed** (heads, facilities etc.)
- **Time schedule**              Milestones and work periods
- **Budget**                          Total expenditures and cash flow