

## Syllabus for the Market Penetration Module

Welcome to Market Penetration! Penetrating a market for the very first time is very different from trying to gain a few percentage points in market share. Virtually every business marketing course in the world is fixed at the latter. No one wants to talk about how you take a company which has never existed before, and introduce it to prospective customers who have never heard of it, and who have no need to buy anything from it. Well, entrepreneurs *have* to talk about it! This is what entrepreneurs do everyday, and what makes them different from managers in established businesses and firms. Just how do you penetrate a market? Intuitively, we all understand that the first days, weeks and months of a new venture's life are critical. If it does not capture some segment of the market's ear, it will not live long enough to worry about market share.

In this unit, we will learn about market penetration, how it can be done, and how a brand new venture can gain both a direct competitive advantage and an indirect competitive advantage. We will talk about sustaining such an advantage and how truly challenging such an action can be.

Along the way, we will talk about selling strategies. We will examine *push*, *pull* and *piggyback* strategies, and discuss why everyone assumes that *pull* strategies are the only ones that exist. In reality, especially for a start up venture, *push* and *piggyback* strategies can be superior, and a lot less expensive! We will examine combination strategies, and learn about marketing research from an entrepreneur's perspective! That means shoe leather!

Finally, we will learn how we combine strategies, pricing strategy, marketing strategy, promotional strategy, and market penetration strategy, into an overall plan for launching our venture. We will take time to visit unique products or services, and the special challenges they face since they are unknown in the marketplace. We will close with ideas for establishing concrete, specific strategies which can get our venture moving from its very first day!

**First**, if you have not done it in a previous module, download the *Plan Outline*. Keep the questions in the Venture Planning Process foremost in your mind as you study and learn in this Module.

**Secondly**, if you have not done it in a previous module, download the sample *Business Plans*. As we have said, these are actual plans, so you must keep them confidential. Take a look at how each of these plans have handled the issue of market penetration.

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Do the plans convince you that the entrepreneurs have thought about how to bring an entirely new venture into an existing market place? Do you believe that the entrepreneurs know how to introduce their ventures and actually penetrate the market? This can be one of the most challenging issues in the entire field of entrepreneurship, and it can make the difference in success and failure.

**Third**, view the *Selling* video. Read the pdf text which accompanies it. This video will explain the differences in *push*, *pull*, and *piggyback* selling strategies, and explore the advantages and disadvantages of each. We will examine market research, marketing surveys, and footwork, and we will explain why marketing strategy is so critical to venture success.

**Fourth**, view the *Penetrating the Market* video. Read the pdf text which accompanies it. This video will explain how very different penetrating a target market for the very first time is, in comparison to promoting an established venture. We will explore competitive advantage and indirect competitive advantage, and discuss sustainable competitive advantage. We will learn why efforts to establish competitive advantage can lead to catastrophic results, as bases of competition can morph into minimum customer expectations.

**Fifth**, view the *Developing Strategies* video. Read the pdf text which accompanies it. This video will explain how pricing strategies, promotion strategies, and marketing strategies, can be incorporated into an overarching market penetration strategy for your venture. Developing the right, specific strategies can spell the difference between early success and early failure!

**Finally**, continue the *Venture Planning Process* for your venture. We hope that you began this process in the *Start Up Module*, and continued it in the *Pricing Module*, carrying on through the *Feasibility Module*, and driving through the *Market Module*.

Now, we want you to design specific market penetration strategies for your venture. This is where the rubber meets the road. If you can devise specific strategies which will get significant numbers of your target market to both, realize you suddenly exist, and decide to buy from you, then the success of your venture is assured! Nothing is more important than these two outcomes. You cannot just *build it and expect them to come!* You have to teach them that you are there, and that they want what you are selling! It's time to decide how you will accomplish this!