



Agricultural Marketing Resource Center  
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## Preparing for Market Development

*A Guide for Organizing a Business*

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This article outlines some standard steps for establishing yourself as a business organization. Common goals and objectives unite an organization. The strategies you develop will help you execute your action plans. The measures you put in place will generate accountability and objectivity. You need to approach this process as a cyclical matter: plan, do, check and act. This way you never stop reaching to improve.

The steps outlined here have some overlap and include some looping back to get them right, so we shouldn't think of this as a step-by-step, linear process. You will find yourself in cycles of decisions and discovery. If you *begin at the beginning* you will be prepared to understand those things you discover about the market, your group and yourself.

### **Begin at the beginning**

A common thread runs through any marketing challenge. Whether it is a small business, or a regional development group seeking to expand commercial activity, the beginning of the project is determining the right questions to ask. These questions will drive the need for further research, development of tools, identification of additional resources, etc.

The market development exercise is really a project management, with goals, objectives, strategies and measures. But before these issues are addressed, a cool assessment of capability is needed. It is a mistake to go forward in planning by simply doing a marketplace scan with the idea that "we'll just do whatever looks hot today." Before a group or company looks to the marketplace, they need to understand precisely what capabilities exist in their organization or region.

### **Assessment of resources**

The first step is to inventory your resources. Begin broadly by placing your perceived assets under areas such as: a) human resources; b) financial; c) technical; d) management; and e) physical. The process must be objective and can be most efficiently done with the help of an experienced facilitator.

Next, create a list to include accessible, relevant resources that could be attached through alliance or associations with other entities. For instance, as a small business, you may need to identify outside trucking or sub-contractors or perhaps do a labor shed analysis. You need to

look for resources you may need to add inputs or service to the business. This is a second layer of resources that would be available. Be objective.

You now have the beginnings of an asset inventory in two layers: primary and secondary. These can be analyzed to express your capabilities. If these resources are organized in a database format, they are then available through sorting mechanisms and accessible for analysis. Don't add much detail until you've done the following.

### **Rank Your Resources to the Marketplace**

Even before you boldly go out into the marketplace you need to compare your resources to what you believe "is" the market. A third step is to sort these resources into rankings so that the strength areas become obvious. Notice the weakness areas and determine if these can be shored up either with internal changes or by identifying outside resources. Ask yourself if the weaknesses threaten or negate the strengths.

Be innovative in how to value-rank these resources. You could begin by ranking your resources simply by what you have the most of. Then start comparing these assets with other realities to determine which resources might have the most impact or value. Don't take anything off the table yet.

### **Goals**

You now understand what you have to work with. Next, you are ready to express your identity and goal. If you do this exercise before you've assessed your capabilities, you may develop your mission and goal based on myths.

What is your mission? Who are you as an organization? By clearly stating who you are and generally where you are going, you have taken a vital step. This is the pivotal communication point for your organization. Both insiders and outsiders should be able to clearly see what centers this entity. Where are you now? Where are you going? How will you get there?

### **Objectives**

Objectives are not the same as the goal. Objectives take you into more detail about moving toward your overall goal. Stay at a high level with these objectives and continue to do first things first. For instance, examples of early objectives might be to establish action teams and to write a marketing plan. Examples of next level objectives might be growth, advanced capabilities or coordinated events. Objectives lead to measurable targets, which are discussed later.

### **Strategies**

The goals and objectives will drive the strategic decisions of the company. Strategies establish the direction and begin to define the detail and actions taken to achieve the goals and objectives. The three categories of goals, objectives and strategies don't emerge one after the other. In fact, these tend to develop concurrently and in final form these must be clearly complimentary. Strategy is not dictated by any one set in your planning, but clearly your assessment of resources comes in to play here.

## **Measures**

How do we know we made progress unless there is a measurable outcome? We can't. So, even the high level objectives we established above need to be measurable. For instance, when the marketing plan is done, you've met a measured objective. When the action teams are established, you've met the objective. When you establish targets, as we talk about below, you will also come back to the measures because those targets will each be a project in itself. Targets have to be measurable.

## **Marketplace Assessment**

Now you can appropriately scan the market for opportunities. These will more clearly sort themselves into priorities since you've established the basics of your organization. The key aspect of this process is that you can sort out needs versus wants, always working with your strengths. It is human nature to operate from beliefs or even myth. The objective of working through this process is to eradicate the myths and establish the facts. "Just the facts Ma'am." You are creating the tools and the decision environment to make fact based decisions.

A market assessment can be done at two basic levels. First is a "desktop" assessment. This might be Web research, phone calls, networking, etc., that can give you some sense of trends, relationships and all relevant realities of the market(s) you are looking at. Next comes the guerrilla phase. This is when you get in the car or the airplane and go where the action is. It is essential to be in the mix and part of the active networks so that the potential targets know you are out there. But, you are really still in the research mode with this activity. You are armed with a sense of self in terms of goals, objectives and capabilities. So, now you are trying to get feedback to focus on the priority targets.

Stay with the program. Don't get ahead of yourself expecting to get big deals yet. You are still preparing, learning and sorting who you are against what needs are out there to be filled. True marketers are confident, but very humble. Humble is the opposite of arrogant. Arrogance is another way to spell doom in marketing. The humble person will accept what he sees and let the market tell him what it wants.

## **Targets**

Now we know what our goals, objectives, initial strategies and measures will be in general form. We now know generally what our present capabilities are. And we've been creating a sort of asset map to help us visualize our resources. As we research and understand the market, we can fill in other layers of information so that we overlay resources with market targets.

It is only now that we can appropriately start to target the market. Yes, we may have learned some cold facts that cause us to go back and re-evaluate the objectives and strategies, but if we don't do the *first things first*, we will taint the process and bias our self assessment. We now have a baseline of who we are and generally where we'd like to go. By looking at the marketplace now, we can begin to see what we need to change or what we should emphasize.