What is our - Market Canvas?

Your competitive advantage is the most important part of your strategy statement – it describes the logic of why you will succeed, how you differ, or what you are doing better than the competition.

As illustrated in the following diagram, your competitive advantage is the strategic sweet spot for a business. It is where it meets customers' needs in a way that rival businesses can't (David et al. 2008).

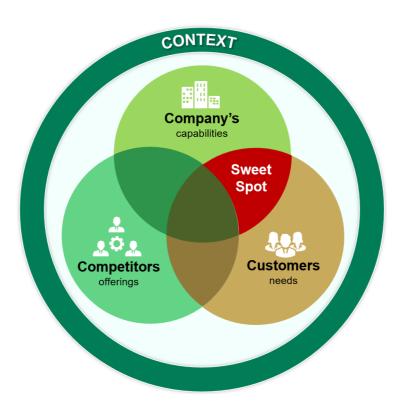


Figure 12 Strategic sweet spot

Creating a market canvas can help you to identify your competitive advantage. To develop a market canvas you list the factors that customers value (think what are the customers key needs) and then compare your ability to provide these factors against competitor offerings.

To do this well you will need to research your competitors in the market and your customers' needs. Therefore, you may need to complete or revisit the following activity after you conduct further research. Today, let's start with a draft.

What is our strategy?

As explained in your reference notes, your **strategy** is not the same as a strategic plan. Your strategy is the making of an integrated set of choices that collectively position your business in its industry so as to create sustainable advantage relative to competition and deliver superior financial returns (Martin 2013).

It is one integrated and logical set of choices. A preferred approach as outlined by author and professor Roger Martin (2010) is to treat strategy making as developing a set of answers to the following five interlinked questions, which cascade logically from the first to the last:

1. What is our winning aspiration?

What are our broad aspirations for our organisation & the concrete goals against which we can measure our progress?

1. Where will we play?

Across the potential field available to us, where will we choose to play and not play?

2. How will we win?

In our chosen place to play, how will we choose to win against the competitors there?

3. What capabilities need to be in place?

What capabilities are necessary to build and maintain to win in our chosen manner?

4. What management systems must be instituted?

What management systems are necessary to operate to build and maintain the key capabilities?

The trick is to have five answers that are consistent with one another and actually reinforce one another. **To create a good strategy you will have to iterate** — think a little bit about Aspirations & Goals, then a little bit about Where to Play and How to Win, then back to Aspirations & Goals to check and modify, then down to Capabilities and Management Systems to check whether it is really doable, then back up again to modify accordingly.

In essence your strategy describes your competitive advantage. The strategic sweet spot for a business is where it meets customers' needs in a way that rival businesses can't, given the context which it competes.

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Make the logic explicit

It is critical to write down the answers to these questions as it provides you with clarity and future recall of why you made your strategic decisions the way you did.

Strategy statement

Although you make take several pages to show your decision making, background information and the why you've chosen a specific strategy, it's very useful to summarise your strategy into one simple statement. This allows you to clearly and easily explain your strategy to others.

To create your clear strategy statement use the following template to:

- 1. State your broad goal (objective).
- 2. State your target market.
- 3. State your competitive advantage.

How does your ideal customer view your brand



Customers start by stereotyping you, in terms of grouping you with other things you are like (brand salience).

Figure 21 The consumer-based brand equity pyramid (Keller 2001)

Matrix to prioritise and manage your risks

List and prioritise risks using the Risk Matrix and describe risk management strategies for each (if required).

Be clear in your risk plan, what are your brands values and what are your own?

RISK MATRIX

Likelihood	Very likely	Medium	High	Extreme
	Likely	Low	Medium	High
	Unlikely	Low	Low	Medium
		Minor	Moderate	Major
30	**		Impact	

Figure 22 Risk Matrix

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STEP 5: Define SMART goals.

Define your SMART goal and remember to know what you're measuring so you know whether you're succeeding or not. For example:

- For brand exposure, your measurement might be the conversion rate of new customers from Facebook by the first quarter.
- For brand advocacy, you might be measuring the increase in customer stories shared for 2017.
- Use the planning template on the next page to write your goals.



Figure 22 SMARTT Definition

STEP 6: Define your strategies and actions

Next, based on your SMART goal/s you will need to identify the critical success factors, barriers and resulting strategies and actions that will make your goal/s happen?

Look at the examples on page? of what actions you might take for two different goals.

On the next page draft your goals, strategies and actions for Sales and Marketing.

It's important to note that, while tools and strategy work together, not to confuse the two. Tools in the digital world change rapidly. If a tool doesn't work, simply try something else to achieve your goal.



STEP 7: Monitor and evaluate results

As part of your continuous improvement process, remember to monitor and evaluate your results. Questions you might ask yourself are:

- Are your strategies working?
- Are you achieving your desired targets (goals)?
- Do you need to do more research on your target market?
- Do you need to stop, start or continue anything?



Figure 19 Continuous Improvement Cycle

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Your Elevator Statement – SECOND draft

We completed the following activity at the start of our workshop today. We now have an opportunity to do the same activity however now we have gained a greater focus.

As you enter an elevator you realise the person standing next to you is a target customer you desperately would like to start doing business with.

You have from when the door closes to when they get out at their floor (Floor 32 based on the button they have pushed) to convince them why they should do business with you.

What would you say, in the 15 seconds you have available, to communicate you are clearly different, better and important to them?

Jot down the few, most important things, you would say to achieve this. Remember, these are limited to what you could say in 15 seconds!

Let's see if our elevator statements have improved. What feedback have you received form others? Is there anything you would change?

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What are you thinking?

Note the key points you got out of this session for you and yes there anything you need to include in your strategic plan?	your business.
s there arrything you hood to molddo in your olidtoglo plant.	
	Planning point!
	What might you
	include in your strategic plan?
	Strategie plan: