



Restructuring ■ Acquisitions ■ Sales Leadership

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9 Saleability Test – A High Score Starts with Positioning

The Saleability Test highlighted 15 key factors that drive premium exit valuations. The next 5 years will be an unusually attractive time to build a remarkable business (especially if you want to sell it in 2014). Over the coming weeks I'm going to drill down into these 15 factors. The first one and arguably the most important – Positioning or more likely, Repositioning, is the subject today. As my colleagues and I say, you are either **invisible** or **remarkable**. To be remarkable, management must **define** and **dominate** their **unique** market.

EBay, Pacific Sunwear, Abercrombie, American Eagle, News Corps, Sara Lee have all appeared in the press in the last 7 days describing restructuring or repositioning plans. Cash resources are tight. Weak trading performances in downtimes can be terminal. Stick to your knitting. Focus with myopic precision. This is a huge topic but let me set out one tried and trusted technique to help.

The Strategic Workshop: One of the most successful techniques I've deployed to achieve that focus is the strategic workshop. Let us be clear. This is not a two day jamboree at the shareholders expense. It is a well researched, formal event, involving the inner cabinet, off site, covering no more than four big agenda items that will drive the business forward. The key to success is the preparation. Typically each member of the team is asked to prepare a position paper, (max two pages) on a specific agenda item, (or one aspect of the agenda item) setting out the issues, a review of historical tactics and results and potential future solutions. Original research is often conducted prior to the workshop to ensure pure, unfiltered data points are available. I would highly recommend using an outside facilitator.... well I would wouldn't I! The object of the exercise is to brainstorm in a controlled environment, potential future scenarios for your business to establish a unique positioning that will accelerate your growth. Follow up sessions are of course needed but this workshop if executed well, can be the catalyst for change.

Research: In preparation for the workshop, I would research answers to some basic questions; here is a flavor to get you started:

1. Which products/services account for 80% of your sales in the last 12 months?
2. Which products/services account for 80% of your profits in the last 12 months?
3. What is the profitability by customer?
4. Rank your products by sales growth and region over the last 12 months?
5. List the key words that gained the highest traction with your online marketing campaigns over the last six months.
6. List all key competitors in your major markets, their market share and growth rates.



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7. List key productivity ratios for all major business lines and compare with your competitors.
8. List the five biggest trends that will impact your sector over the next two years.

Final Thought: In a world where customers will find you through search engines using tag lines, being precise on your positioning is essential. The world of Web 2.0 and the evolving Semantic Web will only emphasize the importance of positioning and the words you use to describe your unique offering.