

5. SUGGESTIONS FOR PENETRATING THE NEW YORK STATE MARKETPLACE

The successful penetration of the computer market in New York State requires an understanding of the following three important factors: assessing the marketplace, identifying appropriate channels of distribution, and selling across the Canada-U.S. border. The purpose of this section is to provide some practical considerations for each of these three factors, and to describe briefly some of the actual marketing experiences of software developers in Canada.

a. Assessing the Marketplace

"...authentic marketing is not the art of selling what you make so much as knowing what to make [8]."

The University Research Center of Chicago, Illinois recently conducted a study of 450 firms in eight major industries to determine those factors most frequently associated with business failure [4]. Interviews with the executives of the fallen companies reveal three major categories of responses. **The first is improper timing of product entry into the market.** Essentially, the executives failed to match selling strategy to the customers' needs. **The second factor is becoming too dependent upon a relatively small set of customers or dealers.** **The third contributing force is the lack of a business plan**--in particular, the absence of a well-thought-out strategy for covering both immediate and long-term financing needs. The results of this particular research are cited here because they are of critical importance for software developers, not only because the industry is changing so rapidly, making it difficult to forecast the needs of the marketplace, but also because the financing of software development is frequently difficult to obtain, and most of the developers are relatively small business operations where planning is just as crucial, if not more so, than in larger establishments.

From another perspective, marketing computer software is about answering two questions: Will people want to buy the software? And, what competitive advantage does the developer/seller have in supplying the software product? In arguing that the software industry in general lacks effective marketing strategy, Hershey H. Friedman and Linda Weiser Friedman argue that the best marketing