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Understanding Market Adjacency

Learn how your existing skillsets can provide new opportunities with strategic examination of adjacent markets.



As individual markets shift and future unknowns continue to interfere with our traditional sales routines, the necessity of organic growth crescendos. But, as we have said before, t recreation or reinvention, but simple, planned adaptation. Growth through the und

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market adjacency is not a new concept, but one that should be reexamined. This is not only opportunistic for your business; it is something that can be easily applied using your existing skillsets. But what is meant by adjacent markets?

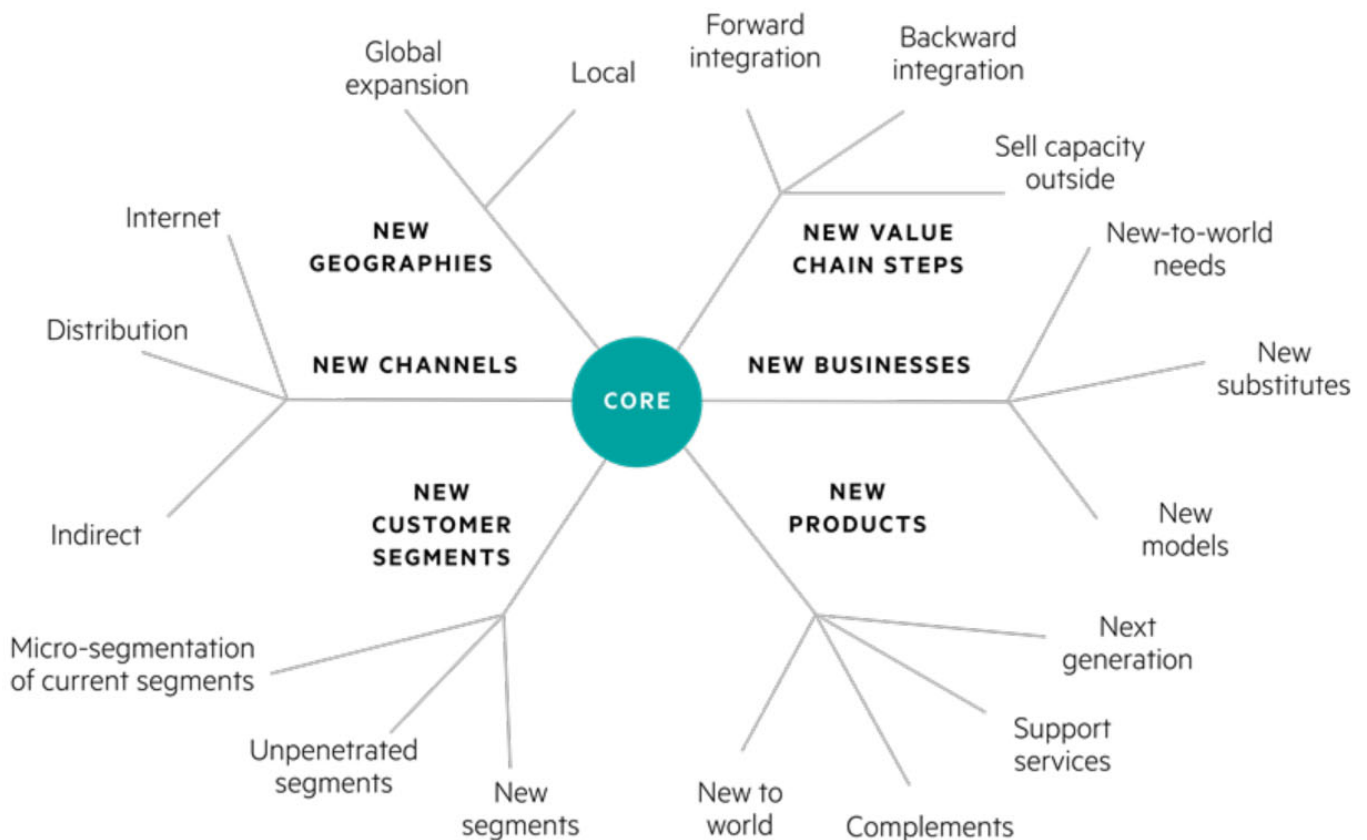
Understanding Adjacent Markets

These “new” markets are closely related to those you have already been working with. The most effective and competitively advantaged distributors in the industry understand a core client base and focus their attention to learning all they can about it. This is a long-term process of learning the market that the client engages in and using the knowledge to further define the distributor’s expertise. Your knowledge base resides in these areas and is extremely valuable.

Now, market adjacency is not to be confused with something called “white space opportunities”. This is an approach of targeting completely new markets, ones which you may have little or no understanding of. It takes extensive time and energy to comprehend the wants and needs of a new market in order to be effective for clients in those areas. This is not necessarily the time to learn about these “white space” markets. Rather, the idea is to export your skillset to bring value to additional areas with similar features.

Market adjacent categories include new geographies, new value chains, new channels, new businesses, new segments of customers, and even new products. But, the most important understanding is that each of these areas link to a core competency which you already possess. When mapping out a plan for this, it is often too easy to deviate from your core knowledge.

Mapping Your Core Competency, Skillsets & Markets



In order to create a direction for a market adjacent approach, it is best to map a path of opportunity with your core competency as a focus. Perhaps you find that your best skillset is in the education field but your immediate clients from that area are not purchasing. This a great place to start. You can map our alternatives based on the various avenues listed above. What you will find is that as you map out potential adjacent markets, other core competencies will arise and begin to connect.

Most of us are facing the “what’s next?” question frequently these days, especially as we begin to plan our 2021 strategies. There will be markets that are more attractive to you than your competition based on your existing skillset. This is how you not only continue to evaluate your competitive advantage but how you gain insight into what knowledge gaps exist within your operations.

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The Knowledge Gap: A Case Study

In our industry, we have a unique opportunity to fill the consumer “knowledge gap.” Learn from this case study how to do this and why it’s so valuable to your clients.

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