



CENTER FOR HOMELAND
DEFENSE AND SECURITY
NAVAL POSTGRADUATE SCHOOL



HSx MODULE: ENTREPRENEURSHIP (STEP 2 – SELECTING A BEACHHEAD MARKET)



APRIL 2017

WHAT IS BEACHHEAD MARKET SELECTION?

- Your beachhead market is where once you gain a dominant market share you will have the strength to attack adjacent markets with different offerings, building a larger company with each new following.
- Almost all first time entrepreneurs find ignoring market opportunities is difficult and even painful. They doggedly hold on to the idea that more markets increase their odds of success and that they are better off hedging their bets until one of the markets take off.
- By choosing a single market to excel in, your start up can more easily establish a strong market position, and hopefully a state of positive cash flow, before it runs out of resources. By focusing in this way you will position yourself to most quickly achieve the all important positive word of mouth that can be your success or failure.
- What is Beachhead Market Selection - <https://www.youtube.com/watch?v=2KpOZ9N2QOQ>

BEACHHEAD SELECTION REFINEMENT

- As you begin to focus on your beachhead market, you will quickly recognize that it almost surely can be segmented into smaller markets.
- You will want to continue to segment until your market opportunity matches three conditions.
 - The customers within the market all buy similar products.
 - The customer within the market have a similar sales cycle and expect products to provide value in similar ways. Your salespeople can shift from selling to one customer to selling to a different customer and still be very effective with little or no loss of productivity.
 - There is word of mouth between customers in the market., meaning they can serve as a compelling and high value reference for each other in making purchases.

VIDEO CLASSES AND EXAMPLES OF HOW TO CONDUCT BEACHHEAD ANALYSIS

- Intro: How to Find Your Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 1/5) - https://www.youtube.com/watch?v=6ZJe6rzOLV8&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=24
- What is a Beachhead Market & How Do You Select It? Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 2/5) - https://www.youtube.com/watch?v=MomDOP1Up3c&index=25&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5
- Fail Fast: How to Select Right Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 3/5) - https://www.youtube.com/watch?v=H-nJs1Z3wRM&index=26&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5
- How to Narrow Your Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 4/5) - https://www.youtube.com/watch?v=OE8IDcubXn8&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=27
- Conclusion: How to Find Your Beachhead Market (Pt 5/5) - https://www.youtube.com/watch?v=bp0sYSgBonA&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=28

SUMMARY

- Choose a single market to pursue; then, keep segmenting until you have a well defined and homogenous market opportunity that meets the three conditions of a market. Focus is your ally.

Entrepreneurial Process – Selecting a Beachhead Market

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Overview: Beachhead market is the portion of the identified market that once you gain a dominant market share you will have the strength to address other markets in ways that appeal to them more directly thus building your company with more of a customer base to focus on. Choosing a single market to focus on, your start up can use all available resources and time to establish a strong market position, and hopefully a state of positive cash flow, before it runs out of resources.

Educational Videos and Short Classes:

- What is Beachhead Market Selection?
 - <https://www.youtube.com/watch?v=2KpOZ9N200Q>
- Intro: How to Find Your Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 1/5)
 - https://www.youtube.com/watch?v=6ZJe6rzOLV8&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=24
- What is a Beachhead Market & How Do You Select It? Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 2/5) –
 - https://www.youtube.com/watch?v=MomDOP1Up3c&index=25&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5
- Fail Fast: How to Select Right Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 3/5)
 - https://www.youtube.com/watch?v=HnJs1Z3wRM&index=26&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5
- How to Narrow Your Beachhead Market - Feat. AJ Perez, MIT alum & CEO, NVBots (Pt 4/5)
 - https://www.youtube.com/watch?v=OE8IDcubXn8&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=27
- Conclusion: How to Find Your Beachhead Market (Pt 5/5)
 - https://www.youtube.com/watch?v=bp0sYSgBonA&list=PLQykyC1zr8f_ZcAZoTz-rruBBOP4Fmii5&index=28
- Understanding Your Customer
 - https://www.sba.gov/tools/sba-learning_center/training/understanding-your-customer

Publications and Journal Articles:

- Disciplined Entrepreneurship, Bill Aulet
 - http://maintao.qiniudn.com/15.390x_BEACHHEAD_MARKET.pdf
- The Advantages of Closing a Few Doors, Tierney, John, S The New York Times, 26 February 2008, <http://www.nytimes.com/2008/02/26/science/26tier.html>.