

## Developing a Marketing Plan

Do you have a written marketing plan to help guide your decisions throughout the year? If not, it is time to write one. The traditional time for plan development is at year-end, when budgets are being set. If you have formal budgeting in place, this makes sense. A marketing plan, however, can be developed or updated at any time because it helps with day-to-day, as well as long-term decisions.

Planning need not be scary or difficult. By taking the process a step at a time first creating the marketing plan outline, then writing the plan from the outline it becomes manageable.

Here is where I would start:

- Executive summary
  - Industry analyses
  - SWOT: strengths, weaknesses, opportunities and threats
  - Porter 5 forces analysis: customers; your own company; current and future competitors; suppliers; and the regulatory environment.
  - The target market
    - Target market demographics: income levels; interests; activities; living environment; other geographic descriptions; psychological mindsets; political affiliations; family situations; age ranges; tastes; etc.
    - Industry or societal trends that affect your customers.
    - Your target customers' needs and wants, and corresponding product benefits.
  - Marketing strategy
    - Overall objectives and mission statement
    - Positioning relative to competitors and in eyes of customers
    - General strategies to reach objectives and fulfill mission
    - Marketing mix, including specific marketing programs
      - Products
      - Pricing strategies
      - Distribution channels
      - Promotions, advertising and other marketing programs
  - Forecasts
    - Size of target market and growth projections.
    - Sales growth projections.
  - Financial analysis
    - Pro forma profit and loss (P&L) for each product and in total: sales forecasts, cost of goods, marketing budgets, fixed overhead and variable expense projections, profit margins
    - Breakeven analysis
    - "What-if" scenarios (sensitivity analysis)
  - Measurements
    - Measurable goals and success metrics for each program
    - Intermediate measurements for monitoring progress
- Five Steps To Creating the Outline

As you complete these five steps, you will simultaneously solidify your outline and complete the research necessary to write the plan from that outline. The five steps are:

1. Gather and Analyze Information
  2. Verbalize Your Main Challenge(s)
  3. Develop Your Objective(s)
  4. Create Strategies
  5. Choose Marketing Programs
- Step 1: Gather and analyze information.

You will need information about your company, competitors, customers, and other industry players. This includes all you know and can research in your industry with respect to products, promotions, pricing structures, distribution channels and federal regulations. Don't forget to research Internet marketing techniques and Websites. From this information, you can complete a Porter 5 Forces analysis and SWOT as well as identify your target market, or "perfect customers".

Step 2: Verbalize your main challenge(s).

Write down the main marketing related challenges you want to overcome for each brand or product, with respect to your customers. Think in terms of unfilled customer opportunities and the 4 p's of marketing - Price Product Place and

Promotion. You may even want to write your challenges down in question form - "How do we \_\_\_\_\_?" and keep them in front of you when developing your marketing plan outline and completing the write up. Refer to these main challenges often and your marketing plan will answer the question "How do I address these challenges?" Step 3: Develop your objective(s).

The objective addresses the "big picture" and in broad, general terms answers the question "How will I overcome my main marketing challenge(s)?" Think in quantifiable and measurable terms (grow by x%, launch new product line with Y items by November, move into the southern market with a z% market share, etc.) Step 4: Create strategies.

Strategies support your objective, defining the general approaches you will take to meet your objective. For example, strategies for moving into a new region could include 1) establishing relationships with suppliers (distribution), 2) choosing the correct product mix to meet customer needs in that area (pricing and product), and 3) launching a multi-pronged campaign to include advertising, online promotions, and direct mail (promotion). Step 5: Choose marketing programs (tactics).

The programs are where the action takes place these are the things you will do to bring your strategies to life. Marketing programs to support strategy 3 in the above example (launching a multi-pronged campaign to include advertising, online promotions, and direct mail) could include 1) a geographically-targeted pay per click campaign, 2) a series of postcards sent to those in the target zip codes, and 3) Website-only coupons, advertised on the postcards and other media in the region (radio, TV, newspapers, billboards, etc.).

Use the information and insight you gain from completing these five steps to solidify and expand upon your outline. The Write Up

Once you have a marketing plan outline developed, expand upon the topics in a write-up. After the initial plan is developed, treat it as a work in progress. Tweak and adjust as needed in response to changing conditions. Many companies update marketing and business plans annually when developing budgets for the coming year. Whether you are a one-person shop or part of a good-sized company, having a marketing plan can help your business prosper.