

# PREPARING YOUR MARKETING PLAN

CATALYST COMMUNICATIONS

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Let's start with a simple truth.

Write the following sentence and put your product name in the blank. Remind yourself of this fact daily.

The world is not about \_\_\_\_\_, it is about people.

For some reason many companies fear the word marketing, equating it with spending vast amounts of money on advertising, PR, etc. But in fact marketing isn't about advertising, PR, websites, e-mails etc. Those are merely the tools of marketing.

Marketing is 100% about the market, your market and understanding it fully.

It is the planning and execution of all the production, pricing, promotion and distribution of goods and services to create purchase by your customers.

It is matching every part of your business with your customers' needs and wants and with their motivation to purchase.

It is not just a matter of selling; it addresses what is to be sold, how it is to be sold when, where and at what price.

If the marketing plan is working, all facets of the business will be harnessed and focused towards the achievement of customer satisfaction.

It is the function of the plan to identify the customer, establish their needs and by coordinating the efforts of all sections of the business, bring about sales.

Marketing, simply put is everything about your product from conception to consumption and all the steps in

between. It is selling the right product to the right people at the right time and at the right price. In other words, the marketing plan helps you get it right.

Rule one: Failing to plan is planning to fail.

A wise sage once said, "There is nothing so uncommon as common sense."

I repeat that here because marketing is for the most part just good common sense. And if you keep that in mind, the job is a lot simpler.

Your plan will determine what your business should become and how to achieve that goal. And it will put everyone in the organization on the same page. There are two main components of the plan 1. How you will address the market and 2. How you will implement and support the operation. And remember that it is futile to have a plan that you have neither the resources and expertise to execute. (this is a very common problem)

## Purposes of a marketing plan

One of the key purposes of the plan is to ensure consistency of all your sales/promotion endeavours. In addition to defining marketing strategy, you must have a well defined methodology for the day to day to implementation of the plan. Other benefits are:

- A rallying point for staff, to feel part of the team and that the team has direction.
- Chart to success - step by step guide to success.
- Company operational discussions - a to-do list on a grand scale.
- Captured thinking - the plan is there to remind everyone of the goal.
- Top level reflection - writing the plan is your chance and that of your senior executives to look

at the big picture. Forces you to look internally to fully understand the results of past decisions. Forces the marketing personnel to look externally at the market in which they operate.

- Provide a concrete set of goals that can be reviewed over time.

A good marketing plan sets clear, precise and measurable targets. It includes deadlines. It provides a budget for each marketing activity, it specifies who is responsible for implementation and follow-up of every activity.

And remember that a plan will not execute itself. It needs to be a living document, it needs a champion. It needs to be reviewed - often.

## Getting started

Let's start with some devilishly simple questions.

The questions are simple, the answers are not.

1. Is there a consumer demand for your product?

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2. How deep is that demand?

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3. Can you satisfy the demand from both psychological and production standpoints?

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4. Who and what influences the demand?

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5. What and who is already out there? Who is the competition and what do they offer?

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6. How are they positioned?

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7. What is the consumers' view of their product?

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8. What consumer "space" do they occupy?

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9. What "space" can you occupy? E.g., better product, better price, new technology, better delivery etc.

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10. Who wants your product?

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11. How big is the potential market?

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12. What do you know and don't you know about the market?

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13. How readily can you get the information and how will you get it?

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14. Will you go directly to prospects and ask them (market research) or is the data available from trade groups, existing surveys, etc.?

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15. Can you prepare a buyer profile? Who are they, where are they, what do they want, what need are you satisfying, how does your product help in their busy day? Etc.

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Bottom line: the better you know the customer, the more effective and efficient (read less expensive) your marketing will be.

16. How long is the sales cycle and how will this affect your cash flow?

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17. What are your sales channels?

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18. What is your brand?

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19. What does it stand for?

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20. What is its image?

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21. What do you want it to be?

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22. How will you position your brand in the marketplace and in consumers' minds? (see Communications Brand Profiler)

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23. Can you answer the consumer question - "what do you do and why should I care?" in 20 seconds or less?

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24. How well can you target your prospects?

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25. What media will you use?

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26. How much, how often?

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27. How will you ensure consistency across all media?

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28. How are you going to measure success?

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29. Have you set realistic and attainable goals?

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See, I told you that the questions were simple but the answers hard. So now that you've thought about all that and answered the questions (you have haven't you?) let's get started on your marketing plan.

The Marketing Plan will consist of the following sections.

- A. Executive Summary
- B. Business Overview
- C. Mission Statement
- D. Corporate Objective Strategy
- E. Market Audit - Target Market
- F. SWOT Analysis - Strengths, Weaknesses, Opportunities, Threats
- G. Assumptions
- H. Marketing Objectives and Strategies
- I. Budget/Financial Summary

J. Media Plan

K. Follow up Plan/tracking/alterations.

## Executive Summary

30. What are your main goals? Highlight the main goals and recommendations and how success will be measured.

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31. Clearly define what you do. What is my company about and why am I in business? Sounds easy doesn't it? It is not.

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32. All your marketing efforts are ultimately directed at one key consumer question "What's in it for me? Try and answer their question.

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## Business Overview

33. Relevant background on the market, product, pricing, and distribution situations.

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36. Corporate objective: what you intend to do e.g., If you are one of the strongest competitors then your objective is to invest the best resources; if you are a new or weaker competitor your objective might be to concentrate on strengthening the company using the product to achieve the objective of becoming a stronger player, etc.

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37. Corporate Strategy - usually falls into one of three categories:

- A. Cost leader
- B. Differentiation - product is unique across the industry - technology, image, special features, superior service, better distribution, etc.
- C. Focus - on a particular segment of the market.

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Market Audit - The more you know about your customers the more efficient and effective your plan.

38. Who are your customers?

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39. How can you get their attention?

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40. Where do they get their information?

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41. What motivates them to buy?

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42. What is important to them?

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Conduct focus groups, phone surveys etc. Knowledge is king, and money spent up front on understanding will save you thousands in marketing costs and errors later.

43. SWOT. In answering the SWOT analysis it is mandatory to be brutally honest with yourself. Pretending that you don't have weaknesses or overplaying your strengths is a bad idea. Give yourself a shake and dig in.

Strengths

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Weaknesses

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Opportunities

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Threats (to Success)

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44. Are you selling to existing customers or new ones?

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45. How aware are they of your product and its benefits?

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46. What is the growth rate of the market segments?

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47. How much time does it take for the customer to make a decision?

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48. Are they willing to pay a higher price for a better product?

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49. How many people are involved in the purchase decision and who are they?

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50. What risks are involved in their purchase?

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51. Are they prepared to pay for value? And, of course that value will depend on their knowledge of your product, the competition, quality, durability, reliability and the significance of the benefits.

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52. The 4 Ps: Product/Price/Promotion/Place

Product

Quality, features, name, packaging, services, guarantees

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Price

List, discounts, allowances, credit

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Promotion

Advertising, personal selling, sales promos, public relations, webpage. What mix will you use?

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### Place

Distributors, retailers, locations, inventory, transport, warehousing. How/where does the customer get your product?

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### Key Assumptions

About the market, the competition, the product etc.

53. Are the features of your product proprietary?

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54. What benefits do the consumers get by using it?

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55. How are you differentiated from competition? Is it readily apparent?

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56. How will you assure quality control?

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57. How quickly can your benefit be copied? How long until the benefit is obsolete? What is your plan to continually stay ahead? What is the product's potential for improvement?

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58. How complex is your offering - options, installation, tech support?

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59. Do you have the management team to do the job and stay the course?

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60. Do you have the capacity to make critical decisions without undue influence from distributors, retailers, etc.?

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61. Is the product free from legal hassles?

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62. How good is your customer service?

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63. Marketing Objectives - What do you intend to do? What do you want to achieve?

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64. Marketing Strategies - How you intend to do it?  
List tasks to be accomplished to implement the plan and assign an actual person to be responsible. Give each a time frame.

	Tasks	Responsibility	Timeframe
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____

### Financial considerations

65. Pro forma-cost of production and sale (attach)

66. Pricing strategy - market penetration price - comparable price - exclusive price? (attach)

67. Do your competitors have the resources to retaliate?

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68. Do you have the strength to limit suppliers' bargaining powers?

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69. Can you sustain market position?

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70. Have you double checked all numbers in the plan?

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### Communications Plan

71. Advertising - where, what and how much?

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72. Public relations - getting your story out.  
How/Where/Who is responsible?

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73. Promotion

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74. Website

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75. Packaging

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76. Point of sale

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77. Brochures etc.

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Selling the benefits—Customers won't buy a bad product more than once; they will equally not buy a product if they don't understand how it benefits them. And they will not buy a product if they are confused by it or its message, image or positioning. If your product has

benefits, then make sure they are front and centre in your communications and clearly explained.

Why advertise? Make the name of your company and product known to potential customers, create goodwill, build a positive image, educate and inform, offer specific attributes, attract customers, give them a reason to purchase.

Consistency across all materials will maximize impact and save dollars.

78. Media Plan - where are your prospects

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79. Which media will reach them efficiently, what time of year, frequency of message etc.?

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(Fish where the fish are.)

80. Distribution plan - on premise sales, direct sales, wholesale channel, self service channel, full service channel

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## Consumer Analysis

81. How well do you know your customers?

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82. What type of product features appeal to your key customers?

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83. How are choices made between competitors?

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84. How much disposable income do they have to spend on your product?

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85. How do they reach decisions to purchase?

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86. Are they presold before shopping?

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87. What media do they watch/read/listen to?

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88. Where are they?

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89. What are their information needs?

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90. What do they need vs what you currently offer?

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91. Are there groups who are not buying your product?  
Why?

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Product features/benefits - important to make a clear distinction between the features of competing products

92. List features?

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93. Do the features of your product lead to a unique positioning?

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Advertising/promotion - the product positioning, competitive features and consumer benefits are the basics of your advertising proposition.

Your plan is not complete unless it addresses the future.

94. Will it help achieve long term goals?

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95. Will it build up long term strengths?

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96. What effect will it have on other products?

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## Pro Forma

No marketing plan is complete without a quantitative projection of profitability for the product and you will have to project a sales forecast.

97. How much will it cost to achieve the objectives and execute the strategies?

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## Evaluation

98. What are the criteria for success?

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99. How will you measure success?

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100. Have all your senior executives/department heads signed off on the plan?

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The Marketing Plan is part of the Business Plan and links with all parts of it. Your business plan spells out what your business is about, what you do and don't do, what your ultimate goals are. It encompasses more than marketing. It can include discussions of location, staffing, financing, strategic alliances, etc. It includes a vision that spells out the purpose of the company.

See "PREPARING YOUR BUSINESS PLAN" by Catalyst Communications.