

MARKETING PLAN FORMAT

MISSION STATEMENT

This section should state the purpose of the business as it relates to its customers, ownership, management, and employees. The purpose should be specific but concise in its presentation for each of the mentioned categories. The mission should be periodically reviewed and updated as required.

PRODUCT/ SERVICE ANALYSIS

It is important to be objective in defining the product/services being offered to the customer. This will require a critical eye on the existing product/services and how it relates to the product/services to be offered to the customer. There are several elements that make up this product/service analysis.

- 1.) The advantages of the product/service to the customer- Define briefly:

What are these advantages?

What market segments do they affect?

What benefits do they product for the market segment?

How can they be maximized in an overall market strategy? (This last point should be kept as concise as possible, highlighting only priorities.)

- 2.) The disadvantages of the product/service to the customer- Define briefly.

What are these disadvantages?

What market segments do they affect?

What problems do they produce when selling the product to these market segments?

How can these disadvantages be corrected or avoided by the marketing effort? (This last section should be kept as concise as possible, highlighting only the priorities.)

- 3.) The present rate structure for the property- This should include all rack rates, corporate rates, package rates, military/government rates, special contract rates, and any other discounted rates or programs being offered at the property.

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- 4.) Product/service amenities offered to the customer- This should highlight all amenities that are unique and key to the product in the sleeping rooms, meeting rooms, public areas, and other service areas of the hotel.

COMPETITIVE ANALYSIS

Again, an objective overview and analysis of the competition is required in this section. Several elements will make up this analysis.

- 1.) List all of the subject property's closest competitors - "Closest competitors" refers to those properties that are direct competitors of the subject property in price, amenities, and product. (Not necessarily geographic area.)
- 2.) List all of the subject property's secondary competitors - These include all other properties which make up a complete listing of lodging competitors in the immediate marketplace of the subject property.

- 3.) For each competitive property - The following should be listed under the respective property.

- Number of sleeping rooms (breakdown of rooms types, if available).
- Sleeping room rate breakdown. This should include rack rate (single, doubles, suites, extra person charges); also, the corporate rate and group rate for singles and doubles, if available.
- Anticipated yearly occupancy.
- Anticipated yearly Average Daily Room Rate
- Brief description of facilities, amenities, and services.

- 4) For each closest competitor - The following elements should be included.

- Detailed description of facilities, amenities, and services.
- Target markets these competitors attract to their product.
- Advantages they offer to their customers - Define briefly:

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- What are they?
 - What market segments do they affect?
 - What benefits do they project?
 - Ideas on how they can be neutralized in the subject property's marketing plan.
- -- Disadvantages their products offer to customers - Define briefly:
 - What are they?
 - What market segments do they affect?
 - What problems do they cause?
 - Ideas on how they can be maximized to the greatest benefit in the subject property's marketing plan

POSITIONING STATEMENT

The positioning statement will clearly define the product being offered to the subject property's target market customers. This should be done as an overall hotel product definition, as well as by each respective market segment targeted by the property.

Each profit center should also have a clearly defined positioning statement (definition). This should include the sleeping rooms, meeting facilities, weekday market and weekend market. Other areas can be added as identified.

BUSINESS OVERVIEW OF CURRENT YEAR'S VS NEXT YEAR'S EFFECTS

A brief analysis of the current year highlighting successes and shortfalls should be prepared. Next year's highlights and potential problems should also be explained.

RED FLAG ITEMS

Based upon an objective analysis of the subject property's product, competitors products, the subject property's positioning statement(s), and business overviews for current year vs. next year, any areas of concern about the subject property that have surfaced should be highlighted in outline form in this section.

A brief outline of suggestions as to how these situations can be corrected should be noted in this area (problem/solution format).

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MARKETING GOALS AND OBJECTIVES

Broad but well defined goals should be set in the areas of revenue generation (by individual market segment, as well as for the entire property), guest satisfaction and employee satisfaction.

An example of an undefined goal would be "to increase travel agent business during the next year". A better defined goal would be to "increase travel agent business by 10% during the next fiscal year -- from \$100,000 to \$110,000".

KEY MARKETING AND SALES STRATEGIES BY MARKET SEGMENTS

In this section, an outline of key strategies by market segment, for the attainment of the defined objectives, will be developed. This outline should identify key programs that will be pursued to develop business in each market segment.

These market segments should include (others may be added as identified):

- | | |
|------------------------|------------------------------|
| --Social/Leisure | --Banquet-Food |
| --Corporate/Individual | --Banquet-Beverage |
| --Government | --Room Rental-Service Charge |
| --Packages | --Restaurant-Food |
| --Group-Association | --Restaurant-Beverage |
| --Group-Corporate | --Lounge-Beverage |
| --Group-Tour | --Lounge-Food |

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It may not be necessary to develop objectives/strategies which are not central to your plan.

The basic outline format for identifying these strategies is as follows:

- 1). Restate the market segmentation objective (i.e. to increase travel agent business by 10% or \$10,000).
- 2). List the specific sales and marketing program to be defined (i.e. travel agent awareness program).
- 3). State the desired results of this sales and marketing program as it relates to the overall market segmentation objective (i.e. increased travel agent awareness of hotel leading to 200 room nights more than last year).

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- 4.) State the elements of the program. This is the step-by-step definition of how the program will be accomplished and implemented at the property, (i.e. travel agent show, Hotel Travel Index ad-increase size, 15% of season travel agent commission, major travel agent producer, direct mail program, and regional sales calls).
- 5.) List program element costs. (This will later relate to the definition of the marketing budget).
- 6.) State methods that will evaluate the program's effectiveness. These should be concrete rather than abstract methods of evaluating effectiveness of the defined program. (i.e. room nights, dollar sales, number of contacts, etc.).

Each market segmentation strategy plan should include consideration of each of the following marketing disciplines in order to achieve the objective. All of these disciplines do not necessarily have to be included in the attainment of each marketing segment objective. They should be considered only when pertinent. These disciplines include:

- Direct Sales
- Sales Promotion
- Advertising
- Public Relations
- Direct Mail

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CONCLUSIONS/RECAPS

In conclusion to the marketing plan development, key elements should be summarized. They are as follows:

1.) Annual marketing calendar by market segment. This can be done by calendar year or by fiscal period. This calendar should depict in a visual format when each of the marketing strategy components will be in operation at the property during the term of the marketing plan. (For example, if a direct mailing to previous customers is to be sent in January, May, and October, those months should be highlighted as previous customer mailing months. If a state association sales blitz will be ongoing during the fall months of September through November, those months should be indicated as a state association sales blitz period)

2.) Market segmentation action and responsibility chart. For each element of the marketing program outlines, an action should be defined, and responsibility assigned for its completion. Starting and completion dates should also be

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included for the effective administration of these marketing programs. (In an annual plan, trimester periods may be used for timing of a program. Starting and completion dates should be updated on a trimester planning basis).

3.) Advertising plan. Your advertising/public relations plan will be divided into periods, highlighting your priorities with the estimated dollars required. When planning, identify the profit centers you are targeting. The information should be shown on the attached advertising plan format. (Note: a detailed format indicating placement, specific ad sizes, and costs will be addressed in your trimester plan. Consider this plan as an overview only.

4.) Recap of the marketing budget. Under each of the strategy plans for the market segment, a recap of the strategy program costs should be outlined. For the total market segmentation marketing costs, revenue should also be projected. By dividing the expected revenue by the program cost, a return on investment (R.O.I.) can be determined (i.e. 20:1).

Once each respective market segmentation cost is determined, the total marketing budget can be assembled for the property. All market segmentation program costs can be totaled along with total expected sales. Again, a return on investment can be determined for the entire marketing investment.

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