Developing a Marketing Plan

Presented by

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Whose a Planner?

- Marketing Plans?
- Marketing Budgets?
- Strategic Plan?

—Just curious!
Agenda

- Why develop a Marketing Plan?
- Format & key components
  - 2 approaches
- The Marketing Budget & Why?
- The Quarterly Report & Why?
- Why I'm a serial planner
Why Develop a Marketing Plan

- Forces you to look internally
  - Fully understand results of past marketing decisions
- Forces you to look externally
  - Fully understand your markets
- Sets future goals and provides direction
- Key component in obtaining funding
- 1st Timers: sets the tone for plans to come
- Builds consensus throughout an organization
Why Develop a Marketing Plan

- Part of the yearly planning process
- Should support your Strategic Plan
  - No Strategic Plan? Support yearly objectives
- Specialized strategy to introduce something new
  - new product planning
  - entering new markets
  - trying a new strategy
  - to fix an existing problem
- Component within an overall business plan detailing how you market within your firm
The Marketing Plan – Standard Approach
- Purpose and Mission
- Situational Analysis
- Marketing Strategy and Objectives
- Tactical Programs
- Budgets, Performance Analysis & Implementation
- Additional Consideration
Format & Key Components

- **Marketing & Sales Plan - My Approach**
  - Market assessment
  - Annual goal & goals by market
  - Strategies to achieve goal
  - Tactics with performance objectives to achieve goals
  - Additional initiatives

- **Corresponding Budget**

- **Quarterly Reports**

- **K-I-S-S:** Keep It Simple Silly!
Part 1
Purpose & Mission
Purpose & Mission

- Provides rationale for the plan
- Brief explanation for why plan was produced
- Suggest what may be done with the information contained in the plan
- May already exist
- Identifies a stable, long-run vision of the organization
  - 1st-time planners include
  - May not be necessary if you have well-established plan with consistent stakeholders
Part 2
Situational Analysis
Situational Analysis

- **Snapshot of where things stand at the time the plan is presented**
  - Important but can be time consuming
  - Recommend for 1st timer or new audience

- **Covers the following key areas:**
  - Product offerings
  - Target market
  - Distributor network (if you have one)
  - Competitors
  - Financial analysis
  - External forces
Situational Analysis: Product Offering

- Describe the company’s current offerings:
  - Product attributes
  - Pricing
  - Distribution
  - Promotion
  - Services offered
Situational Analysis: Target Markets

- **Describe**
  - Strategy to reach targeted customers
  - Demographic of the market
  - Characteristics of targeted customers
  - The purchasing process

- **Provide market size estimates**

- **Recommend for:**
  - 1\textsuperscript{st} Time Planner
  - New audience
  - Revitalization of plan
Situational Analysis: Distribution Networks

- **Channels used to sell/deliver product/service:**
  - direct to customer
  - indirect via a distributor
  - combination of both
  - Needs/benefits sought by distributors
  - Product’s role within the distributor network
  - Purchase process
  - Demographics

- **Recommend for, if applies:**
  - If you use distributors - MUST
  - 1st time planner or new audience
Situational Analysis: Competition

- Examine main competitors serving the same target market
  - A competitive analysis is always a good thing!
- Discuss competitor’s strengths and weaknesses
- Discuss competitive trends

- Complete annually
  - Part of Strategic Planning
  - Recommend!
Situational Analysis: Financial Analysis

- **Overall industry sales and market share past year**
  - Segments: product/service categories
  - Distribution channels – if any
  - Geographic region – as appropriate

- **Profitability Analysis**
  - Revenues
  - Marketing expenses

- **Data is a good thing!**
  - Track annually as part of Business Plan
  - Annual Plan Market Assessment
  - Quarterly Reports
    - I like my numbers!
Situational Analysis: Other

- **External Forces**
  - Major oil spill
  - Recession
  - Alien invasion, etc.

- **Summarize information - Seriously!**

- **Recommend SWOT analysis:**
  - Strengths
  - Weaknesses
  - Opportunities
  - Threats
Strategy & Objectives

- Provide a clear picture of direction your product/service will take
- Details your overall goal and how you put your strategy into practice
- This section includes:
  - Marketing strategy
  - Financial objectives
- This is your road map!
Marketing Strategy

- **What are you looking to do?**
  - Market growth
    - Higher market penetration: Sell more to same market
    - Find new markets
    - Develop **new** product/service for **existing** customers
    - Develop **new** product/service for **new** customers
  - Market stability
    - Techniques to keep the status quo
  - Cost control
  - Market exit

- **Powerful Paragraph!**
Financial Objectives

- Ultimate goal of the Marketing Plan is the effect it will have on the bottom line
  - Customer sales
  - Channel sales
  - Margins
  - Profitability
  - Ratios

- Financial Goals are quantifiable!
  - Track by market
  - Make your accountant happy!
    - Good to have the $ people on your side
Part 4
Tactical Programs
Heart of the Marketing Plan
- Describe tactics to be carried out to achieve strategy and objectives
- 4 Ps (Product)
  • Product, Price, Place, Promotion
- 7 Ps (Service)
  • People, Process, Physical evidence

Action items to achieve success
- Narrative describing tactic
- Elements of tactic
- Short and long term goals
- Create SMART GOALS
SMART Goals

- **Specific**
- **Measurable**
- **Achievable:**
- **Realistic**
- **Time-Bound**

**Recommend!**
- Helps author 'reality-check' him/herself
- Supports accountability
- You may be graded!
Part 5
Budgets, Performance Analysis & Implementation
Budget, Performance & Implementation

- Part of the Marketing Plan that will ultimately "sell" plan to those who have the power to give final approval
- Marketing Budget
  - Presents clear picture of plan's financial implications
- Performance Analysis
  - Presents expected results
- Implementation Schedule
  - Shows timelines and identifies those responsible

- Or...
The Marketing Budget

- Annually to support Marketing Plan & Goals
- Part of firm's overall annual budget
- Fine-tune year after year
- In a nutshell...
  - Labor
  - Promotional costs
  - Travel & tradeshow
  - Industry associations
  - Client entertainment
  - Expenses (web, printing, postage, purchased services)
Performance: Quarterly Reports

- I leave Market Assessment alone, unless:
  - Major shift in a market (good or bad)
  - Others need to be informed

- Summarize status on overall strategy
- Report on quarterly financials
- Update status on tactics
- Check my budget
- Present quarterly numbers to staff
  - Part of in-house Financial Literacy Training

- Why I like it? Keeps me focused and accountable
Implementation

- **Budgets & Performance Analysis**
  - Requires implementation

- **Create goals and tactics with this in mind**
  - Structure your approach to allow for easy implementation
  - As part of each strategy, build quarterly objectives
  - Building plan this way sets stage for success!
Why I Plan?

- Required to? Yes.
  - But I'd do it anyway!

- Why I plan & you should too?
  - Supports firms overall strategic goals
  - Allows you to directly contribute to success
  - Serves as a road map
  - Accountability
  - Personally, how I know I succeed in my job

If you fail to Plan, you Plan to fail

*I have no idea~*