

Learn to create a strategic marketing plan for your business.

Take The Mystery Out of Marketing

**Buy The Complete Version of This Book at  
Booklocker.com:**

<http://www.booklocker.com/p/books/1787.html?s=pdf>



# Elements Of An Effective Marketing Plan

Before you roll up your sleeves and get started creating a successful marketing plan for your business, you should know what kinds of information to include in a plan and make sure that you have all of the necessary resources at your fingertips. The best way to approach this task is to read through all of the information here first, then go back through it while using the strategic marketing plan template to create your own plan.

The essential elements of an effective marketing plan are research, analysis, projections, implementation and evaluation.

Think of your business and all of its resources as an ambitious team of dedicated football players with the dream of winning the next Super Bowl. This is your game plan. You wouldn't begin the season without researching the playing field, analyzing your current situation, checking out your competition, deciding what you want to accomplish, determining how you're going to do it, making it happen step by step, and evaluating your results.

By the same token, you won't begin to develop your strategic marketing plan without knowing how to apply the same basic skills to your business. First, you need a working knowledge of the elements that go into creating this plan. So, here we go.



## Research

Before developing your strategic marketing plan, you will need to conduct some research. Researching your industry, customers and competitors will provide you with valuable insight into the external influences that will impact your plan, such as pricing and product trends, industry forecasts, customer needs and expectations.

In general, there are two types of research—quantitative and qualitative. Quantitative research assigns a number value to the results, such as how many (ten million), how much (20 percent), or how frequently (every six months). This type of research should be very structured and formulated to ensure accurate results. Examples of quantitative research tools are written surveys or telephone interviews.

Qualitative research results provide feedback on thoughts, feelings, perceptions and opinions. This research is more exploratory in nature. Examples of qualitative research tools are focus groups and taste tests.

When developing research strategies, there are two methods of gathering information—primary and secondary. Primary research involves gathering first-hand information related to your specific industry, product, company or customer. This information could be obtained through surveys, focus groups, product trials or other methods where you are directly involved in developing the research tool and gathering the information.

Secondary research is information that has been previously gathered and that relates to your area of focus. This information can be found in white papers, case studies, on the Internet or in other published reports.

Whatever method or type of research you use, be sure to research the following areas and include this information in your marketing plan:

1. Industry: size of industry, trends, forecasts, competitors
2. Product/Service: buying and pricing trends, innovations, your features/benefits
3. Customers: profile, needs, preferences, motivators
4. Your business: unique selling proposition, features

So, where do you start and how do you gather all of this important information? Begin with the resource that you have at your fingertips—your computer. Start with [www.hoovers.com](http://www.hoovers.com), [www.gartner.com](http://www.gartner.com) or [www.forrester.com](http://www.forrester.com) for general business research.



Also, do an online search of key words associated with your business. This will likely provide you with research that others have already conducted. You could discover research papers, price comparisons or links to your competitors' Web sites.

Chances are the industry in which you do business has a professional association, which most likely has a Web site that you can visit to obtain key information. Whether you're an accountant, an architect, a tailor or a trainer, your professional association is a great place to begin researching your industry, product and customers. Check out the American Society of Association Executives' site at [www.asaenet.org](http://www.asaenet.org) for a list of national trade organizations.

Next, visit the Small Business Administration, [www.sba.gov](http://www.sba.gov), Small Business Development Center, [www.sba.gov](http://www.sba.gov), Chamber of Commerce, [www.chamber-of-commerce.com](http://www.chamber-of-commerce.com) or Better Business Bureau, [www.bbb.org](http://www.bbb.org) to research key information about your industry.

If you find that the task of research is taking a large amount of time away from your daily business activities, hire a marketing or business student from a local college to assist you. Many students seeking internships are eager to apply their book smarts to real-world projects and they can help with your research, writing, organizing and planning tasks.

Contact your local community college or university for information on their internship programs. Costs for student interns vary. Many require an hourly rate paid to the student plus a per-semester or per-quarter fee paid to the college.



## Analysis

This section of your marketing plan examines your current situation. Begin by creating a *mission statement* for your business. Your mission statement is a one-sentence description of why your business exists. What do you do? What product or service do you provide? To whom do you provide this service?

Be sure to avoid business-babble and industry-speak when creating your mission statement. This definitive account of your business' existence should be easy to understand for the average customer.

**Example:**

*Interactive Tutorial, Inc. develops online learning tools for high school students studying reading, mathematics, language arts, history and science.*

Don't confuse your mission statement with your vision statement. A vision statement expresses what you hope to achieve with your business. This is a far-reaching, long-term, future-focused statement that illustrates your company's dream of success, and is usually reserved for internal audiences only (employees, management team, board members, etc.).

Example:

*Every student graduates high school prepared to compete in a higher-education setting.*

The next step is to take a look at your *company identity*. How would you define your business to an outsider? What industry are you in? What key audiences do you service? What is special or different about your company or product?

This company identity is closely tied to, but different from, your mission statement in that it forms a picture of your business in the minds of customers. Take Jaguar cars for example. Their company identity illustrates their history and passion for creating luxury cars that are reliable, innovative and stylish, and exhibit quality craftsmanship in both the exterior beauty and the technological design.

Think seriously about your company identity, because this is often the stuff that great slogans and tag lines are made of. Jaguar's tag line is "*The Art of Performance.*" This clearly states their company identity. However, your company identity doesn't have to be collapsed into one sentence. Be descriptive and highlight your company's unique qualities.

Now, think about how your customers perceive your business. Do they agree with your company description? Why is this important, you ask? Because if your perception of your business is different from your *customers' perceptions* of your business, then you might have problems in the future in many areas including sales and customer service.



Similarly, if consumers perceived Jaguar cars as fun-in-the-sun, sporty, economical vehicles rather than luxurious, comfortable and stylish, the company probably wouldn't attract the same caliber of consumers nor would their existing marketing strategies be very effective.

To avoid future communications problems, you should become intimate with the needs of your customers. All customers have specific needs and values that they bring into the purchasing process. And, as a rule, customers care more about their values than they care about your product. So, the key here is to find out what their values and needs are and match your messaging to their needs without compromising the credibility of your product.

You can determine your customers' perceptions and needs by simply asking them. Develop a short survey (primary research) and distribute it to customers in your store, or to current clients via mail or email.

If you decide to go the email route, [www.zoomerang.com](http://www.zoomerang.com) offers a free online survey service with a wide variety of survey templates that can be customized for just about any survey you can think of.

If you create a written survey, include a short letter explaining why you are conducting the survey (i.e. to get customer feedback in order to improve business operations) and assure customers that their responses will be kept confidential.

Consider offering an incentive to customers who return the completed survey. Use the information from the surveys to develop key messages that will help your customers identify with your product or company. For a sample survey, see the [Appendix](#).

**Surveys:** Before implementing a strategic marketing plan it makes sense to have a clear idea of what your target market wants, needs and expects. Surveys or questionnaires are a great way to make the distinction between what you want to deliver and what your audience wants to receive. Here are a few tips on designing an effective survey that will assist you in starting your project off on the right foot:

1. Keep surveys short, no more than 10 questions
2. Make your survey simple and quick to complete by having multiple choice questions which require a check mark to answer
3. Provide an easy way for respondents to return surveys (fax, drop box, self addressed stamped envelope, email)
4. Offer an incentive for completed surveys (discount on future purchases, gift)
5. Leave space for additional comments
6. Ask if you may use customer comments for marketing purposes



The next step in the analysis process is to review the traditional four **Ps** of marketing—Product, Price, Place and Promotion. It will also be helpful to review two more **Ps**—Presentation and Personalization—to arrive at the most important **P**, Purchase.

### **Product**

Identify the *features* and corresponding *benefits* of your product. Now, you're probably thinking, "Hmmm, features/benefits, benefits/features, what's the difference?" There actually *is* a difference between the two. Features describe what your product or service offers and benefits explain why someone should care. For example:

#### **Features**

Quick response

Customized

Roomy

Long handle

20 years in business

#### **Benefits**

Saves you time

Meets your specific needs; no one will have the same thing that you have

You can put more stuff in it

Helps you to reach farther

We are experienced and know what we're doing

List all of the features and benefits that you can think of for your business, product or service. Take a close look at what your business offers because these are the things that could set you apart from your competition and help your customers know about your unique qualities.

### **Price**

The price you charge for your product or service is influenced by a number of factors including competitor pricing, past pricing, industry changes, economic factors, customer demand, operating expenses and production costs. Ultimately, pricing should support profitability, return on investment and long-term business growth.

When determining your prices, consider the customers' perceived value of the product or service you offer. Perhaps you don't charge for delivery, but your customers appreciate this service so much that they would actually pay for it. Or, you might charge a fee for gift-wrapping, but your customers feel that this should be a free service with purchase.

### **Place**

*Where* you do business is equally as important as *how* you do business. The place where you sell your products and conduct business should reflect your company's image and philosophy. If you are committed to customer service, then your location should be convenient for your customers.

Do customers know how and where to find you? Is there ample parking in your office building? Is your store signage visible from major streets? Is your Web site accessible 24-hours a day, 100 percent of the time?



## Promotion

In this sense, promotion relates to informing customers about your business or product. See [Marketing Tools](#) section beginning on **page 15** for various ways to do this. Promoting your product or service is closely tied to the needs of your customers. Knowing what they need and value will help you determine when, where and how to communicate with them.

## Presentation

Presentation relates to your company or product image. Presentation should be consistent and set the tone for your company. Your sales representatives, packaging, store displays, business cards, uniforms, etc. are all part of your presentation. These elements should convey your company's philosophy and mission statement and become the image that customers call to mind when they think of your company. This is called **branding**.

What comes to mind when you think of Coca Cola? What image do you envision when you think of Nike? How does Merrill Lynch illustrate their competitive advantage? Each of these companies has mastered the art of branding and so can you.

## Personalization

Personalization is the art of customizing your service or product to meet the unique needs of your target market. Being intimate with your customers and knowing their needs, values, and purchasing habits allows you to provide exactly what they need, when they need it and where they need it. With this information you can personalize various aspects of your business such as customer service, contact management, direct mail, e-mail, products, etc.

Each customer wants to feel as though their purchase and their continued business is important to your company. They want to feel valued. Here's where you build relationships that lead to repeat customers, who will likely become evangelists about your product or business, thereby sharing your key messages with their circles of influence. This is called Customer Relationship Marketing (CRM).

Effectively managing your relationships with your customers helps to ensure repeat business for you. Visit [www.crmguru.com](http://www.crmguru.com) for more information about Customer Relationship Marketing and how to make it work for you.

## Purchase

Customers go through a process when deciding to purchase a product or service. This customer purchase decision-making process includes all of the above elements as well as the following elements. Customers typically:

1. Consider their needs and values (need it today, want variety, inexpensive, environmentally safe)
2. Find information (ask friends, visit Web site, review catalog)
3. Evaluate alternatives (compare prices, product availability, added value)
4. Purchase
5. Evaluate the purchase (friendly sales person, quick process, easy payment plan)
6. Determine future action (re-purchase, tell a friend, develop relationship)





Effectively combining each of the marketing Ps into your marketing plan and considering the customer purchase decision-making process will help you to realize a return on the investment of time, money and other resources that you will contribute in developing your strategic marketing plan.

Moving forward with your plan, you want to identify exactly who your *target market* is. To whom are you selling? Who do you really want to buy your stuff? Even if everyone in your town could use what you sell, you're probably not going to market to everyone. Pinpoint the group that you think wants or needs, and is willing to pay for, your service or product and focus on that group.

Identifying your target market requires that you go back to square one and review your research results. Remember the qualitative, quantitative, primary and secondary research that you gathered? Put that information to use here.

Be as specific as you can by including characteristics and demographic information. For example, your target market description could be: Children ages 8-12, living in two-parent households with annual incomes between \$150,000 and \$200,000, who live in the suburbs and attend private school. Do the same for your secondary market if you have one.

**Customers:** If you are seeking to identify your primary target market, expand your customer base or enhance relationships with current customers, take these tips into consideration.

1. Don't make the mistake of thinking that everyone wants your product or service. Be specific in profiling your primary and secondary markets. Some demographics to include in your customer description are:

**Consumers**

Gender  
Age  
Household income  
Ethnicity

**Businesses**

Years in Business  
Number of Employees  
Annual revenues  
Location

2. Customers purchase for specific reasons, so be sure your product or service can meet their needs, such as:

|              |            |
|--------------|------------|
| Time         | Affordable |
| Location     | Variety    |
| Versatility  | Quality    |
| Availability | Commitment |

Your analysis should also include the *resources* that you have available to help your marketing plan work, such as human resources (employees, interns, volunteers), financial resources (operating capital, marketing budget) and information (market research, database).



Now comes the fun part. The *SWOT* analysis is an honest and in-depth view of your company's Strengths, Weaknesses, Opportunities and Threats.

When performing a *SWOT* analysis take note that Strengths and Opportunities involve internal influences that are in your control (what you do well or could do better). Weaknesses and Threats involve external influences that are not in your immediate control (what your competition does better than you or forecasted changes in the economic condition of your industry).

Avoid berating your product, employees or location and instead look for ways to improve upon these and other aspects of your business.

Lastly, conduct a *competitive analysis* by researching how your business or product stacks up to the competition. Look at your pricing, business structure, customer service, features and other elements and examine the same aspects of your competitors.

Do you offer superior quality? Is your knowledge of market trends and customer needs equal to that of your competitors? Could your accessibility be improved by allowing customers to purchase your products online? Examine each of these areas to develop your competitive advantage.

This analysis will give you a good idea of your positioning within your marketplace and will become a critical element for developing the messages you communicate to your customers. You can then apply this information to the next section of your plan—your projections—in the form of goals and objectives.



## Projections

The projection process is an estimate of the possibilities that you have for your business based on current trends and the research you have conducted. This is the core of your strategic marketing plan. It involves examining precisely what you want to accomplish with your marketing plan and determining how you're going to make it happen.

Begin with the *goals*. What do you hope to achieve? What does success look like for you? What do you envision for your business for the next 12 months? What is your overriding vision for this marketing plan? This is your vision.

Take the example of our Super Bowl-bound team. They could have one simple goal like winning the Super Bowl, or several goals like breaking all of the passing, scoring and rushing records. But don't get carried away. If you stay focused on one or two main goals it will be much easier to remain on task and to measure your success.

Next, list your *objectives*. These are statements that express a quantitative expectation, something that is measurable. For example:

1. Increase client base by 50 percent
2. Increase market share to 30 percent
3. Expand services into two new target markets
4. Create awareness of product among 20 percent of target market

Objectives should begin with an action word like increase, enhance, build, develop, create or expand. Include reasonable, quantitative projections. Your projections will be based on a combination of factors including your research and analysis, your level of confidence in your team, and the resources that you have at your disposal. Take each of these elements into consideration and develop realistic objectives.

Another crucial part of your marketing plan is identifying the *key messages* you will communicate. Messaging is an important factor in building brand image and positioning your company and your product. Think of your key messages as themes that should be consistent throughout your marketing plan regardless of which marketing tools you use.

These messages should be strong and descriptive. Stating that your product is "new and improved" or that your company is "leading the way" won't cut the mustard. You must be more specific by describing a feature or benefit that customers can relate to. Speak to the needs of your customers.

Do you want to tell people about a new product line? Are there new features to your service that you want to announce? Has your company philosophy changed or have you upgraded your technologies? Have you improved your customer service focus? Present these messages in a way that your customers can relate to.



In developing your key messages think about what your customers would want to know about your product. Remember, customers care more about their values than they care about your product, so make sure that your messages address customer values while highlighting your product's benefits.

Is your company more reliable, detail-oriented, or environmentally conscious than your competitors? Is your product state-of-the-art, faster, smaller? Build upon these points to create the ultimate theme or key messages for your marketing plan. Don't forget to include your competitive advantage. Remember, there are other companies offering what you offer, and you have to tell customers why they should buy from you instead of your competitors.

Now that you have your goals, objectives and key messages established, how are you going to make this stuff happen? It isn't enough to say "We're going to win every game and make it to the Super Bowl!" You have to develop some *strategies* that explain how you're going to do that.

Develop some ways in which you plan to accomplish your objectives. One way to do this is to take each objective and think of a few things that you could do to make it happen. Such as:

### **Objective**

·Increase client base by 50 percent

### **Strategies**

1. Add three sales representatives to the staff
2. Conduct direct mail campaign
3. Create sales promotions targeted to prospective customers

Once your strategies are defined, dig a little deeper and describe the exact *tactics* that you will employ to accomplish them. Here, you'll want to be even more specific with each of your strategies and explain how you're going to bring these ideas to life. For your strategy of adding more sales staff, your tactics could include:

1. Recruit three top sales reps with at least three years experience in the industry, using current sales reps as recruiters (offer a \$100 incentive to sales reps for each recruit that is hired).
2. Advertise available positions in industry publications and Web sites that top sellers frequently read and visit
3. Offer \$500 signing bonus for new hires

Next, determine which marketing *tools* you will need to make your plan come to life (see Marketing Tools section for a description of each tool). Will you implement an advertising campaign? Should you increase your networking within your industry? Do you need to update your brochures? How will your Web site come into play? List each marketing tool and briefly describe how it will be used to achieve the goals of your plan.



The final step before actually implementing your plan is to make sure that your *budget* projection is in place. Various marketing sources suggest that your marketing budget should represent between 5% and 15% of your total annual operating budget.

Consider all costs and expenses that you will incur in implementing your marketing plan. Project how much revenue you intend to generate and review the budget monthly to ensure that you remain within your means.

Review last year's marketing budget to help guide you in deciding how much you should spend on marketing, areas that could be streamlined and items that could be increased because of high return on investment in the past.



## Implementation

Now is the time to really make things happen, get your team into gear and kick some butt! Developing the plan isn't the end of the process—it's the beginning. Don't just put your marketing plan on the shelf and hope that everything will work itself out. You've got to get to work. You're scared, aren't you? Well, that's okay too.

Putting your strategic marketing plan into place is a pretty scary thing because you can't really guarantee that it will yield the results that you want. But one thing is for sure—you can absolutely guarantee that it won't yield the results that you want if you do nothing.

Thinking is the most valuable tool in your planning arsenal. If you strategize with your team before the implementation process you can develop *scenarios* of things that could go wrong (or right).

It's okay to think about the “what ifs” of your plan. In fact, it is a critical part of the implementation process. Think of these scenarios as primary concerns that you have about making your plan work. Along with those concerns will come possible solutions, so add those to your plan.

What if you find that you didn't budget properly? What if your team gets discouraged along the way? What if your public relations campaign backfires? What if you get more customers than you're prepared for? What if your prices are too low? What if your competition steals your ideas? What if your research results were all wrong? What if your plan succeeds?

Considering these types of scenarios can help you avoid costly and embarrassing oversights as your plan unfolds. Reviewing your plan at regular intervals can help you make adjustments and proceed to the Super Bowl on task, on top and on time.

Speaking of being on time, you must create a *timeline* that assigns a specific person, start date and completion date to each of your tactics. Who will be responsible for getting Task #1 complete? Will this require a team? Who is the team leader? When will this task be complete? Be sure to document your progress on each tactic as you progress.

Report the status of each task, meeting and activity and note all concerns, recommendations and successes. Record as much information as necessary and keep this information in a binder. You will review these reports during the evaluation process.

**Timeline:** To avoid overlooking important details in the implementation of your marketing plan, prepare a timeline that includes tasks, deadlines, completion dates and assignments for each team member. The timeline is an important reference tool and should be reviewed weekly to ensure that all duties have been completed. If used properly, a timeline could actually help you accomplish certain tasks ahead of schedule, allowing more time for follow-up, adjustments and evaluation.



One note on the implementation process—have fun with this. If the players on our Super Bowl team can have fun during each game—spiking the ball after a big touchdown, high-fiving after an interception, making each play count—then surely your team can do the same. Reward each success along the way and stay focused on the end result.



## Evaluation

One of the most important elements of a successful marketing plan comes *after* the plan has been implemented. This element is often ignored by even the most able teams because either they are disappointed that they were eliminated after the first playoff game or because they are Super Bowl champs and think that all they have to do to repeat last year's success is to implement the same plan. Wrong, wrong, wrong!

Just as our football team has to review game films after each game and at the end of the season, you should evaluate your strategic marketing plan because you want to know where you hit the mark and where you missed the mark.

If you don't take the time to evaluate your plan you run the risk of failing each and every time you create a new marketing plan. Or, just as damaging, you could be missing out on some great strategies that could help you increase your profits in the future.

Evaluate your strategic marketing plan by determining whether you reached your overall marketing goals and achieved the desired results. Begin by examining your research methodologies and each element of the projection process. Were your research results accurate? Were your objectives realistic? Did you try to accomplish too much? Did you accomplish each objective on time using the strategies, tactics and tools you estimated you would need?

Evaluation is as critical to helping you do business better as it is to helping the football team win the Super Bowl next time. During the evaluation process, your team should examine what worked well, what areas need improvement, what you could have done without, what could be added next time and other important observations.

One way to begin the evaluation process is to make a list of all of the elements within the marketing plan and ask the following questions for each, as appropriate:

1. Was this a good place to begin?
2. Did we include everything?
3. Did we review this often enough?
4. Did we make necessary adjustments?
5. What other areas of the business did this impact? In what ways?
6. How can we adjust this for greater returns on investment next time?

Your team might apply other questions during the evaluation process that will help you fairly and honestly examine your plan and gear up for next year. Put your reports binder to use and review those reports that indicate milestones in the implementation process. These could include the achievement of a particular objective, a shift in strategy or a change in staff support.





When did these milestones take place in the process? Was a problem discovered in time to make adjustments? Did you panic and shift gears midway in the implementation process before allowing a strategy to yield the anticipated result? There is key information in the reports binder that could help with next year's planning process, so use it.

Once you complete the evaluation process, take a breather and reward your team for a job well done. Celebrate your successes. Reap the rewards of effective planning and learn from this experience that you *can* create a strategic marketing plan that works for you.

Learn to create a strategic marketing plan for your business.

Take The Mystery Out of Marketing

**Buy The Complete Version of This Book at  
Booklocker.com:**

<http://www.booklocker.com/p/books/1787.html?s=pdf>