

How to Develop a Marketing Plan

As you do your research, you need to consider how you are going to use your findings. It is tempting to only pull out the stats and comments that suit your own needs, but you need to be objective in how you interpret your research.

Remember that the objectives of the research are to:

- Gather information about your target market
- Gather information about your competition
- Validate how you plan to advertise and promote your business
- Learn more about what you can do to stand out from the competition

When you start to pull together your research findings, consider the following:

- How do I use this data?
- How do I learn from this data?
- Did I ask enough people?
- Did I ask the right people?
- Did I ask the right questions?
- What do I do next?
- Do these findings change how I focus my business?
- What changes in my marketing plan do I need to make to accommodate this data?
- What additional research do I need to do?

When you document the findings of your research, plan to incorporate the following:

- New information you hadn't previously considered
- Feedback about your plans to promote and advertise your business
- Key points that backup your original plans
- Advice, directions, and next steps that can make your marketing plan effective and focused

Develop a process or tool to help capture the key points in your research. You need to consider the significance of the data and what your next steps will be in developing your business plan.

A marketing plan involves:

- The planning and implementation of a strategy for the sale, distribution, and servicing of a product or service.
- It is all the activities involved in moving products and services from the source to the end user, including advertising, sales, packaging, promotion and printing.

What the marketing plan should include:

- Restate target audience (from customer research)
- Include any niche markets
- Describe services/product
- Detail marketing and promotional strategies

- Include costs and timeframes
- Competitive analysis (from research)
- Quantifiable marketing goals

The final result of marketing strategy planning is an action plan for moving your products and/or services to the final consumers. Elements of the marketing plan include the following:

- **Introduction**

- Describe the product or service, highlighting unique or innovative features. Identify status of patent, trademark, or other legal protection.

- **Situation Analysis**

This is a comprehensive analysis of the environment in which you propose to do business. Sections include:

- The Market: Describe the type of consumer you are aiming your product or service at, the total number of these consumers in your market area and the number you expect to become customers. Outline the potential growth in the market for your product or service, and your projected growth in the market share. Market share may be based on total dollar sales or on unit sales.
- Competitive Environment: Identify and describe your primary and secondary competitors. Primary competitors will sell products or services, which may substitute directly for your own. Secondary competitors will market products or services, which may displace yours indirectly. For example, a soft drink company might include non-carbonated drinks like fruit juice, mineral water or milk. Compare your own proposed operation to your competitors', and describe the relative ease or difficulty in entering the industry.
- Technological Environment: Describe the role of technology in your business and estimate how quickly it might become obsolete. How will technological advancements in other industries affect your business, and will you be able to adapt to change?
- Socio-Political Environment: How responsive will your firm be to emerging trends in legislation and changing consumer attitudes? Describe your plan for maintaining awareness of new laws and regulations, which will affect your business.

- **Strengths, Weaknesses, Opportunities, and Threats (SWOT)**

- Examine your business and the environment around you carefully. Identify weaknesses in your business plan or operation and threats from the environment, and then document your ability to respond to these. Also identify strengths in your business and opportunities presented to it, and describe how you might exploit these.
- Set precise, quantifiable and realistic objectives for your business. Instead of suggesting, for instance, that you will increase market

share every year, state an objective. (For example: to capture 5% of the total market by number of units sold in year one, 7% in year two, and 10% in subsequent years.)

- Take into account the results of the SWOT section, and select a marketing strategy to achieve your objectives. There are many marketing strategies to choose from, such as new market penetration and expanding market share.

➤ **Action Plan**

The basic four elements of the marketing mix are product, price, place and promotion. An action plan describes how you will manipulate each of these areas in implementing your marketing strategy. The action plan should answer this simple question: What will you do tomorrow?

Any successful business must have knowledge about prospective or current clients and must implement a marketing plan that is regularly revised. Marketing plans should be revised annually, like a business model, and should reflect changes and revised goals based on the previous year's experience.

Hints and Tips for Beginners

- Concentrate your efforts on finding customers who provide you with ongoing or repeat business.
- Create a customer profile based on interviews as a way to understand existing clients. When you know why a customer comes back, you will be able to identify more of the same.
- Stay focused on your target markets.
- Don't scatter your efforts. This is especially important for directing a particular marketing strategy to a specific group.
- Be persistent. Marketing projects are the sorts of things that often need to be repeated over and over before permanent change is achieved.
- Be prepared to revise your plan as you learn what works and what doesn't.
- Don't be afraid of failure. When a strategy fails, view it as part of trial-and-error that you can learn from, and as a natural part of the process.