

## Create Your Marketing Plan

Your marketing plan should be a clear, concise, well thought out document that guides you through your marketing program. It should focus on the objective of your marketing and how you intend to accomplish that objective. Whether your company provides products or services, your marketing plan is essential to your success.

The six major elements to creating a successful marketing plan are listed below. You may only need only a sentence or two per section... or you might want to break each down into a few succinct bullet points.

1. The Purpose
2. Your Target Customer
3. The Benefits of Your Product or Service
4. Your Positioning
5. Your Marketing Tactics
6. Your Marketing Budget

As you go through each section, keep the following tips and hints in mind:

Keep your marketing plan simple.

Many small business owners get so involved in details that they lose sight of their goals. By keeping your plan simple, you will create a clear roadmap that focuses on what you need to accomplish.

Write your marketing plan down (as opposed to thinking about it and keeping it in your head).

It is important to have a document that will remind you what you are trying to accomplish.

Be direct and be clear.

If you're not sure, ask a friend, relative, colleague or employee to read your plan. They should immediately grasp your goals.

Don't build in too much flexibility.

You may be tempted to plan for various market contingencies. If your market changes that quickly, then you should incorporate that into your plan. But create a strategy you can keep to - that's the purpose of having a plan in the first place.

Review your marketing plan often - quarterly or even monthly.

That doesn't mean you have to revise it every month. But take some time to evaluate it and make sure you're on track.

Finally....never stop marketing!

Once you have your plan in place, you need to take action. Commit yourself to your marketing program. Don't let yourself stagnate. Keep at it, and you'll be giving your business the opportunity to flourish

### The Purpose

The general purpose of any marketing plan is to maximize your business' profits. But what does that mean for your business? Spell it out here. If you're a children's clothing designer, your purpose might be "To sell

the greatest number of infant dresses at the lowest cost per dress". If you're a self-employed computer consultant who helps companies utilize the Internet, your purpose might be "To book my time completely by getting the greatest number of clients at the lowest possible cost."

Some things to think about when you're writing this section:

Your marketing plan's purpose may seem obvious to you. But by putting it up front and in writing, you will stay focused on your intent.

Many businesses think their marketing plan is about increased exposure, getting press, writing cool ads, and the like. These are not purposes, they are tactics. The end result of any of these is to increase your profits.

If you're having trouble answering "what is the purpose of your marketing plan," you might want to think "why are you marketing?" Your answers to these questions should be the same.

## Your Target Customers

In order to reach your target customers, you've got to know who they are. Look for common identifiable characteristics. Are they companies or individuals? Do they fall into a certain age, geographic or income demographic? How do they buy your type of products or services? How often do they buy them? What features do they look for?

Don't use general terms - instead of "people who want to buy a dress for an infant" use something like "grandparents and other gift givers who are looking for a special outfit for a newborn."

Be careful not to spread yourself too thin. Not everyone is your target customer. Don't sell to everyone - segment your markets. If you are selling home heating oil in a specific region, you could target your marketing at every household in that region. But would that be an efficient use of your time and money? Probably not. You'd want to narrow your focus. Is your target customer existing users of home heating oil or is it people who use gas heat but are thinking of converting to oil? Or are you looking for people who've just bought a house and haven't decided who they will buy their oil from? Are you selling to residential customers or to local businesses?

Some other things to look out for:

Be sure your target market is large enough to support your sales objectives.

Don't guess who your target market is. When possible, quantify by numbers through research. Call trade associations; go to your research library and look up market data; use demographic information from the census; etc.

The purchaser of your product or service may not necessarily be the user.

If you're selling business-to-business, remember that your product or service is bought by a person, not by a company.

## The Benefits of Your Product or Service

You don't market a product, and you don't market a service. You market benefits. Describe them here.

Think in terms of the distinctive features of your product or service that set you apart from your competition. This is also known as your Unique Selling Proposition, or USP. It could be the design of your product, your knowledge of the market, a new technology, a special service, a singular talent, or something else. For example, the USP of a Sony television is the superior picture of the Trinitron tube. Burger King's USP is that its burgers are flame broiled.

Think about these points when you're developing your USP:

You might want to consider your weaknesses as well as your strengths. Once you know what they are, you can use marketing to maximize your strengths and minimize your weaknesses.

Also consider your competitors' strengths and weaknesses - so you can minimize their strengths and take advantage of their weaknesses.

## Your Positioning

Position is your identity in the marketplace; how you want the market and your competitors to view your product or service. Your positioning will have an impact on every segment of your marketing.

Base your positioning on the benefits your offer, who your customers are, and how your competitors are positioned. Keep your positioning statement highly focused and succinct. For example, Acme Movers could

be positioned as "the most dependable moving company in the Tri-City region." Two architects who specialize in kitchens could have totally different positions - one could be "the most innovative designer of modern kitchen environments," while the other could be "the most cost-effective designer of traditional kitchens." Whose kitchen do you think you'd see in Metropolitan Home and whose do you think is targeted at the average buyer?

Some positioning tips:

When creating your positioning statement, think in terms of extremes - the "most," the "best," the "fastest," the "cheapest," the "only," etc.

If there's not much difference between you and your competitors, look for a meaningful customer want or need that has not yet been filled.

Don't position directly against a competitor, if possible. If you do, you may be caught without a position should your customer change its focus. Instead, focus more on your product's or service's strengths.

Be very careful if you position solely on price, since that position can be very easily pre-empted.

Don't position just on image. You need to back up your positioning with substance. If you can't, it's a recipe for disaster.

## Your Marketing Tactics

Describe the specific marketing tactics you intend to use to reach your target customers - advertising, public relations, or sales promotions, for example. These are the weapons of your marketing strategy.

Choose them wisely. Make sure that they agree and support your positioning and your benefits.

It is not necessary to spell out in your marketing plan exactly how you will use each tool. You might want to discuss briefly the purpose and the tone of the various tactics. For example, an Internet consultant might write: "Press releases will focus on our Internet expertise"; "Top management will speak at computer trade shows"; "Print advertising will focus on classifieds in The News' weekly computer section." Remember that your marketing plan is your guide - you don't want to get enmeshed in details.

Here is a list of tools that you might be using. Of course, there are many other marketing weapons you can choose.

- Advertising (print, radio, television)
- Brochures
- Circulars
- Classified ads
- Community service
- Contests
- Coupons
- Direct mail
- Events
- Flyers
- Free samples
- Frequent buyer programs
- Give-aways (T-shirts, pens, other ad specialties)
- In-store signage/displays
- Networking
- Newsletters
- Outdoor signage/billboards
- Personal contact
- Personal letters
- Product packaging
- Point-of-purchase displays
- Premiums
- Public relations
- Publicity
- Relationship selling
- Sales
- Seminars
- Sponsorships
- Stunts
- Telemarketing
- Trade shows
- Yellow Pages

## Your Marketing Budget

Briefly discuss your how much money you intend to invest in marketing as a percentage of your projected gross sales. You can break it down on a monthly, quarterly or annual basis. Ideally, you will have already determined the amount of your marketing budget when you created your business' various financial statements. The figure you choose will depend greatly on your type of business and your goals. It can be anywhere from 5% to 50% or more. If you're a heavily marketing driven venture - a company selling products through direct mail and direct response advertising, for instance - then you will likely allocate more than a company that will build its client base through networking and relationship marketing.

Here are a couple of other things to consider when you're creating your budget:

By putting down a figure, you are committing yourself to supporting your marketing program. You will know how much you can afford to spend on different forms of advertising, PR, and other tactics.

Be sure to keep track of how effective each marketing tactic is. You want to get the maximum return on your marketing investments.

## Table 2.2 Components of the Marketing Plan

I. Executive Summary	II. Environmental Analysis	A. The marketing environment	B. Target market(s)	C. Current marketing objectives and performance	III. SWOT Analysis	A. Strengths and weaknesses	B. Opportunities and threats	IV. Marketing Objectives	V. Marketing Strategies	A. Target market	B. Marketing mix	VI. Marketing
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Implementation A. Marketing organization  
B. Activities and responsibilities  
C. Implementation timetable VII.  
Evaluation and Control A. Performance standards  
B. Financial controls  
C. Monitoring procedures (audits)

**Target Market** It's important to remember that the focus of marketing is people. If you're concentrating your efforts on your product or profit only, you'll miss the mark. The term target market is used because that market— that group of people—is the "bull's eye" at which you aim all your marketing efforts. So, don't forget that a market is people... People with common characteristics that set them apart as a group. The more statistics you have about a target market, the more precisely you can develop your marketing strategy. The table below shows some examples of market segments (or groups):

Type of Market Segment Shared Group Characteristics

Demographic Segment Measurable statistics such as age, income, occupation, etc.

Psychographic Segment Lifestyle preferences such as music lovers, city or urban dwellers, etc.

Use-based Segment Frequency of usage such as recreational drinking, traveling, etc.

Benefit Segment Desire to obtain the same product benefits such as luxury, thriftiness, comfort from food, etc.

Geographic Segment Location such as home address, business address, etc.

Here are examples of target segments that can be created using the above table: · Women business owners between the ages of 25 and 60 earning more than \$25,000 annually form a demographic segment. · People who drive compact cars due to their fuel efficiency form a benefit segment. Be careful not to confuse a geographic market segment with a place. The market is the people who live in the sunbelt area, not the sunbelt area. This is a common mistake made by business owners that causes them to lose a marketing focus on their customers. **Design Marketing Strategies With Your Target Market In Mind** The reason we're concerned with identifying a target market is because it makes strategies for designing, pricing, distributing, promoting, positioning and improving your product, service or idea easier, more effective, and more cost-effective. For example, if research shows that a sturdy recyclable package with blue lettering appeals to your target market and if you're focused on that target market, you should choose that type of packaging. If, however, you're product or profit oriented—rather than people oriented—you might simply make the package out of plain styrofoam because it protects the product (product oriented) or because it's cheap (profit oriented). Here's another example: If you know your target market is 24- to 49-year-old men who like rhythm & blues, are frequent CD buyers, and live in urban neighborhoods, you can create an advertising message to appeal to those types of buyers. Additionally, you could buy spots on a specific radio station or TV show that appeals to this type of buyer, rather than buying general media time to "kinda cover all the bases." Make sense? In summary, when you're making marketing decisions and you say "kinda," it's costing you money. Know whom you are aiming for (your target market) and create a strategy for a direct hit. (Grand Rapids Opportunities for Women, Grand Rapids, MI, 4/97)

## SWOT Analysis

**What is it?**

You can use a SWOT analysis to identify and analyze the Strengths and Weaknesses of your organization, as well as the Opportunities and Threats revealed by the information you have gathered on the external environment.

**Who uses it?**

The team members, the managers.

**Why use it?**

To develop a plan that takes into consideration many different internal and external factors, and maximizes the potential of the strengths and opportunities while minimizing the impact of the weaknesses and threats.

**When to use it?**

While developing a strategic plan or planning a solution to a problem, after you have analyzed the external environment (for example, the culture, economy, health, sources of funding, demographics, etc.).

**How to use it:**

1. Internal Analysis: Examine the capabilities of your organization. This can be done by analyzing your organization's strengths and weaknesses..

2. External Analysis: Look at the main points in the environmental analysis, and identify those points that

pose opportunities for your organization, and those that pose threats or obstacles to performance.

3. If you need additional information Decide whether the answers or the data collected reveal external opportunities or threats.

4. Enter the information you have collected in steps one and two into a table as illustrated below:

POSITIVE NEGATIVE

INTERNAL Strengths Weaknesses

EXTERNAL Opportunities Threats

7. You can use this information to help you develop a strategy that uses the strengths and opportunities to reduce the weaknesses and threats, and to achieve the objectives of your organization.

Example:

#### Force Field Analysis

After developing the Vision and Mission Statements, Mrs. Alvarez is eager to take the next step, which is to define the Strategic Plan. This will result in the action plan that the health center will take to achieve the mission, as presented in the mission statement. There are four main steps to the strategic analysis technique:

1. Force field analysis (which includes brainstorming)
2. Generating alternatives (which includes using the affinity technique)
3. Viability analysis (which includes using a prioritization matrix)
4. Developing a Plan of Action

#### Force Field Analysis

To begin the force field analysis, the team invites the other clinic staff to a brainstorming session to determine the different forces that promote or hinder the health center's achievement of its mission. Brainstorming is a lively technique that helps a group generate as many ideas as possible in a short time period.

Nurse Cruz volunteers to be in charge of the brainstorming session. First, she explains to the group that their opinions are important and welcome -- and will not be perceived by management as criticism. She draws two different columns on newsprint, one for the driving forces (the factors that promote achievement of the mission), and the other for the restraining forces (the factors that hinder achievement of the mission). As the brainstorm continues, Nurse Cruz puts the ideas in the appropriate column.

#### Driving Forces

willingness of the staff to change lack of motivation of staff

good location of the health center most clients have low incomes

local government aware of the situation lack of economic resources

high felt need of the users crowded building

little competition among health providers bad roads

existence of internationally funded projects providers stuck in the way they provide services

low salaries

bureaucratic procedures

too much paperwork

cultural insensitivity of staff

staff don't speak users' language

#### Generating Alternatives and Viability Analysis

##### Generating Alternatives

Keeping the driving and restraining forces in mind, the team has a brainstorming session to generate possible lines of action for achieving the Mission, again using the affinity technique.

As a result of the brainstorming, the team comes up with five possible strategies:

1. better marketing of health center services to the community so that users know about the services provided by the health center;
2. restructuring of the health center's facilities to make people feel more comfortable in the health center;
3. improving staff performance through training and through reorganization of the health center;
4. improving quality of services;

## 5. coordination with other providers to improve coverage.

### Viability Analysis

The team reviews the possible strategies to see if they are viable and consistent with the health center's mission statement. Mrs. Alvarez introduces the team to a technique called Viability Analysis and the tool, prioritization matrix. She explains that this exercise is founded on a strong participatory principle with each person voting three times for each criteria. She encourages the team to take on this responsibility and asks them to express any concerns. Satisfied that this is real work, they agree.

Mrs. Alvarez explains that a prioritization matrix is a useful technique for achieving consensus about an issue. The matrix helps the team rank problems or issues (usually generated through brainstorming) by a particular criterion that is important to them.

The team decides to base the analysis on three criteria: effectiveness, cost, and technical feasibility. The team will examine each of the alternatives using these three criteria.

- Effectiveness: fulfillment of the mission
- Cost: assessment of the investment and recurrent costs of the alternatives
- Technical feasibility: ease of implementation

Mrs. Alvarez asks the team to vote on the most effective, least expensive, and most technically feasible line of action. Each participant votes three times for each of the criteria, and each vote has the same weight (1 point). After the voting is completed, Mrs. Alvarez adds together the votes received for each suggested line of action and tallies the votes in the right-hand column, under Total.

### Viability Analysis Using a Prioritization Matrix

Line of Action	Effectiveness	Cost	Technical Feasibility	Total
Marketing	2	3	3	8
Restructure of the physical facilities	2	1	2	5
Improving staff performance	3	2	1	6
Improving service quality	3	1	2	6
Coordination with other providers	1	3	1	5

### Developing a Plan of Action

The team prioritizes the alternative lines of action based on their totals. Marketing seems to be the most popular strategy among the staff. However, Mrs. Alvarez reminds the staff that realistically, they need to work on all five strategies at some point to fulfill the mission statement.

The strategic line of action, as determined by using the four steps of the strategic analysis, is the following:

"Improve the overall quality of services provided by the health center by

- improving staff performance and the quality of the services they provide;
- giving users more information about the health center and the services available (marketing);
- restructuring the physical facilities with the help of the local government, which will finance a portion of the activities to be implemented; and
- eventually coordinate with other providers to improve coverage."

### The marketing mix

In order to achieve your marketing objectives you need to have a strategy that includes different elements - the various parts of the marketing mix. Calling it a mix reminds you to try and get the balance right between the different elements. It is easy to assume that one part of the mix is wrong, when in fact it is another.

For example, if take-up of a newly-priced service is poor, it could be that the answer is to change the service, or to deliver it in a way that is more convenient to the user, or to improve the quality of the promotion (rather than to cut the price).

McCarthy identified the four P's of the marketing mix:

- Product Defining the characteristics of your product or service to meet the customers' needs.

- Price: Deciding on a pricing strategy. Even if you decide not to charge for a service, it is useful to realise that this is still a pricing strategy. Identifying the total cost to the user (which is likely to be higher than the charge you make) is a part of the price element.
- Promotion This includes advertising, personal selling (eg attending exhibitions), sales promotions (eg special offers), and atmospherics (creating the right impression through the working environment). Public Relations is included within Promotion by many marketing people (though PR people tend to see it as a separate discipline).
- Place or distribution. Looking at location (eg of a library) and where a service is delivered (eg are search results delivered to the user's desktop, office, pigeonhole - or do they have to collect them).

There are two ways to impress bluffers.

You can extend the number of P's - the two which are usually seen as useful additions for services (including information services) are:

- People Good information services are not likely to be delivered by people who are unskilled or demotivated;
- Process The way in which the user gets hold of the service (eg the way in which a document or a search can be ordered).

The second way to show your marketing knowledge is to dismiss the P's as being as old fashioned as the 1980s, and insist on the C's developed by Robert Lauterborn (1) and put forward by Philip Kotler:

- Place becomes Convenience
- Price becomes Cost to the user
- Promotion becomes Communication
- Product becomes Customer needs and wants

These C's reflect the client-oriented marketing philosophy of the 1990s. They provide useful reminders - for example that you need to bear in mind the convenience of the client when deciding where to offer a service. Some would argue that the marketing mix is too product-oriented, and that modern marketing should not focus on it. However, it does provide a handy framework for marketing analysis. The C's are also not nearly so memorable as the P-words, and marketing texts still tend to use the latter to describe the elements of the mix.

## Mission Statement

A mission statement should embody the vision and values of an organisation and ensure that everyone knows what they're aiming for. It is important that the staff of an organisation identify with and 'own' the mission. If they do not, the mission is unlikely to be achieved, particularly if you are offering services (which depend on the commitment of staff). The other stakeholders (customers, funding bodies etc.) should also be able to fit the mission to their idea of what the organisation is about. If there is too much of a mismatch (e.g. if you were running a small college library and had as your mission 'to be the best library in the world'), people are very sceptical about the stated mission.

Mission formulation and organisational objective-setting have received much more attention in the information and library press recently. This area is relevant to marketing because you can only set priorities for your marketing plan, if you know your overall priorities. For example, if a local authority has set ethnic minority needs as a priority, or if a company is focusing on a particular sector of its business, this will need to be reflected in the information centre's marketing plan.

## Market Research

Market research is supposed to be a systematic activity - orderly and impartial. Information scientists and librarians have been undertaking market research for many years, but tended in the past to call this 'user studies'. This term has become less fashionable as it has been realised that it is as important to study non-users.

The cycle for market research involves:

1. Defining the problem (eg 'Department X scarcely ever asks me for information')
2. Developing a hypothesis (eg 'They don't realise how much relevant information I could access')
3. Deciding how to test it (using either secondary data, or primary data - see below)
4. Information gathering
5. Collation and interpretation
6. Decision making

### Problem and hypothesis

One danger to be avoided is making too many assumptions about what is causing the problem. In the above example, it might be wrong to assume that the potential users were unaware of what you had to offer. It could be that they knew about it, and didn't think it very useful, or that they were obtaining better information elsewhere. Therefore it can be useful to brainstorm at the 'Hypothesis development' stage. Starting out with a hypothesis (as opposed to deciding to 'find out what users want') should help to focus the research on the questions that you really need to know the answers to, and helps to avoid unnecessary questions.

### Research and analysis

It is important to decide how you are going to analyse the results of your research, and how you are going to use this analysis in the decision-making process, before finalising your research method. Anyone who has been involved in original research will know that planning, data collection and analysis can take a great deal of time. You therefore only want to collect information you are going to be able to analyse properly, and only analyse information you will use to make decisions.

Secondary data collection involves collecting material relevant to the problem, but not gathered specially for it: ie, existing data. This can either be internally or externally produced, and is the part which information scientists should be able to do rather better than some market researchers.

Primary data is collected specifically to help with the question you are addressing. It is normally collected through observation or surveys. There may also be more rigidly controlled experimental research, but this tends to be carried out more often on the captive audiences of the information science schools. If you have lots of money you may be able to commission commercial market research consultants to do research for you.

· Observation This has been used to examine, for example, people's use of catalogues, or of reference materials, or the amount of time they have to queue at the issue counter. One relevant point is that if people know they're being observed, their behaviour may change.

· Surveys Interviewing, either on a one to one basis, or in groups, is one survey method. Written questionnaires are probably the type of survey instrument used most frequently by information and library professionals. There are various techniques that can be used to improve response rate, such as incentives and follow-up.

If the target population is too large to be surveyed in toto, sampling (choosing a limited number of people to represent the whole population) is the usual approach. Ideally you should try to eliminate bias (which might, for example, be introduced if you just surveyed users who happened to come into your information centre) by using:

- Random sampling (eg contacting every nth person on an alphabetical list)
- Stratified sampling (dividing the population into representative groups and sampling each of them)
- Quota sampling (aiming to get a certain number of people in different categories eg of age and job type)