



### **Business Development Journal III**

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## **What is a Marketing Plan?**

A marketing plan is a valuable tool for developing and implementing your marketing efforts. Preparing your marketing plan helps you more accurately see the nature of your marketplace, and its historical trends. Just going through the process of developing your marketing plan guides you in creating an effective marketing strategy.

Your marketing plan is designed to solve problems. When you operate with the benefit of a good marketing plan, you are more likely to anticipate problems and react to them in a well-thought-out manner.

Before you begin creating your marketing plan, have clear answers to the following questions:

- What products and/or services you will offer
- What are the benefits and features of your products and/or services
- What problems, needs, or desires do your products and/or services address
- Competitors' products and/or services
- Your target market
- The purchasing habits or trends of your target market

### **Creating a Marketing Plan**

Your plan should cover at least one year. You need to allow a couple of months to write the plan, even if it is only a few ideas. Developing and deciding what to do and how to do it is the greatest challenge of marketing. Your marketing plan needs to be a clear, concise, well-thought-out document. It should guide you through your marketing efforts, focusing on the marketing objective and how you plan to accomplish that objective.

It is very helpful to put your marketing plan in a binder or use a marketing software package. This way you can insert and delete items as necessary.

You should revisit your marketing plan every month or quarter. You can track the performance of your plan by using sales or manufacturing data on a monthly basis.

### **What Is The Marketing Plan Purpose?**

At the heart of the marketing plan, the purpose is to maximize sales. The marketing plan also has many secondary purposes, including:

1. Identifying Your Target Market- You have to know who you are selling to and know how to sell to them. You'll also identify your competitors and their influence in the marketplace.

2. Documenting Your Marketing Strategy- Much of your marketing plan is the minor detail of your marketing strategy. There are many aspects of marketing you should consider, including:

- Pricing
- Promotion
- Critical dependencies
- Distribution channels
- Market share
- Sales force
- Sales support
- Advertising

3. Preparing a Budget- It is critical that you set aside enough money to implement your marketing strategy and support your staff. When you make your financial projections, the numbers you decide on must be specific so management can comfortably use them as milestones.

4. Producing a Document- Your marketing plan document is the culmination of all your strategic thoughts and planning, and should look as professional as possible, especially if you present your plan to potential investors or creditors.

5. Executing Your Plan- A marketing plan provides guidance throughout the year and directs all of your marketing efforts. Using the financial projections and milestones, you can:

- Compare actual sales to the numbers you projected
- Modify your projections
- Determine what must be done to get back on track

## **Your Target Customers**

You must know whom your target customers are in order to reach them. Look for common identifiable characteristics like:

1. Are they companies or individuals?
2. Do they have a certain age or income level?
3. How often do they buy?
4. What features do they want?

The more specific you can be, the better your plan will be. Instead of saying, "people who want car service" say, "hot-rod enthusiasts who want specialized detailing, products, and engine repair services from a hot-rod enthusiast who understands their passion."

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One common problem with new businesses is that they spread themselves too thin. Not everyone is your target customer. Instead, segment your markets. If you are selling window air conditioning units 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. Try to narrow your focus. Are your target customers existing users of window air conditioning units or are they people who do not have air conditioning units at all? Or are you looking for people who have recently purchased a home and have not decided if and what type of air conditioning to use? Are you selling to residential customers or to local businesses?

## **The Benefits of Your Product or Service**

You do not sell a product, nor do you sell a service. Instead, you sell benefits. Marketing involves putting yourself in your customer's point of view and understanding what is important to them.

*Think about:*

- Consider your weaknesses along with your strengths. Once you know what your weaknesses are, you can direct your marketing effort to maximize your strengths and minimize your weaknesses.
- Analyze your competitors' strengths and weaknesses. Your marketing plan may need to minimize their strengths and take advantage of their weaknesses.

## **Positioning**

Positioning involves analyzing each of your market segments and developing a distinct marketing position for each one. How do you want to appear to that segment, or what must you do for that segment to ensure that it buys your product or service? Here are some of the many possible marketing position categories:

- Specific product features
- Product benefits
- Specific product use
- Positioning against another product or a competing business

*Some positioning tips:*

- When you write your positioning statement, use phrases like “the most,” “the best,” “the fastest,” “the cheapest,” or “the only.”
- If there is little difference between you and your competitors, find a need or want of your target customer that has not yet been met.
- Try not to position your product directly against your competitor's product, because your competitor may suddenly change focus. Instead, focus on the strengths of your product.
- It may not be good to market solely on price, since your competition can very easily match your position just by matching your price.

## Your Marketing Tactics

Describe the specific marketing tactics you will use to reach your target customers. Examples of these are advertising, public relations, and sales promotions. Make sure that they agree and support your positioning and your benefits.

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

- Advertising (print, radio, television)
- Brochures
- Classified ads
- Community service
- Coupons
- Direct mail
- Events
- Flyers
- Free samples
- Frequent buyer programs
- In-store signage/ displays
- Newsletters
- Outdoor signage/ billboards
- Personal contact
- Point-of-purchase displays
- Public relations
- Publicity
- Sales
- Sponsorships
- Telemarketing
- Trade shows
- Internet marketing

## Your Marketing Budget

Decide how much money you want to invest in marketing as a percentage of your sales. This percentage can be anywhere from 5% to 30% or more, depending on your business. If your business depends heavily on your marketing, such as a mail order business, then you should plan a higher percentage for your marketing efforts.

*Consider:*

- By determining an amount, 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.
- Keep track of how effective each marketing tactic is. You want to get the maximum return on your marketing investments.
- Consider using cooperative advertising in order to reduce costs.

## References

<https://www.mainstreet.org/howwecanhelp/backingsmallbusinesses>  
<https://www.americanexpress.com/en-us/business/blueprint/>  
<https://www.business.com/articles/sample-marketing-plan-outline-and-template/>  
<http://www.bizmove.com/marketing/m2h.htm>  
<https://www.marketing.com/resource-hub/>

## Other Resources

[Entrepreneur.com](#)

A good resource on how to create marketing plan. <https://www.businessnewsdaily.com/4-creating-effective-business-marketing-plan.html>

[Create your Web \(Internet\) Marketing Plan](#)

Learn how to create an effective Web/Internet marketing plan by reading *How Much for Just the Spider?* <https://www.amazon.com/Spider-Strategic-Marketing-Small-Budget-Businesses/dp/1591131138>

[Marketing: How to Create a Marketing Plan For Your Home Business](#)

How to Create a Marketing Plan by Marcia Layton. <https://www.amazon.com/Unofficial-Guide-Marketing-Small-Business/dp/0471799076>

## 6 Tips for Creating a Great Business Marketing Plan

<https://www.allbusiness.com/how-to-use-the-spider-web-content-marketing-strategy-135551-1.html>

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