

## **Building a Marketing Plan That Makes Sense – Part Two**

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Earlier this month, we defined marketing and talked about the importance of focusing on customers in your marketing activities. Now we're going to go over the value in having a marketing plan and the basic outline. As we said, plans should be flexible - but you should start with a solid foundation.

A marketing plan provides you and your business with the necessary strategic direction to stay on track and ahead of the competitive curve. A good plan takes customer, employee, competitive, and industry research and ties it all together into a clear, concise strategy. Then you use this strategy to plan, build, implement, and track your marketing activities, programs, and materials. In addition, a well-rounded plan ties your sales goals and processes directly to the overall marketing objectives and activities. Without sales, you won't have marketing -- and without marketing, you won't have sales!

A plan is more than a sheet of paper with words on it -- it's the critical, living documentation you need to ensure that your marketing efforts and dollars are maximizing your bottom line. Effective marketing isn't about how much budget you spend -- it's about how you spend it!

### **Getting Started**

Who should be involved in the development process? Probably more people than you'd think. Unfortunately, many businesses forget that there are more departments than just marketing when it comes to building a marketing plan. Your plan needs input from many divisions within the company, from sales to customer service to accounting. Keep away from the "the vacuum-made marketing plans" where only one specific group or individual builds the plan. Input from key departments will help to ensure ownership and acceptance of the plan throughout your organization. It will also encourage all departments to be involved with the implementation and return on investment (ROI) tracking stages.

### **The Nuts & Bolts**

Whether you create one yourself or use an outside marketing agency, be sure to consider these essential elements of a marketing plan:

Situation Analysis

Target Audiences

Objectives

Strategies

Tactics

Return On Investment (ROI) Measurements

Timeline

Budget

Now let's look at each area in a bit more detail...

### **Situation Analysis**

Take a good, hard look at your industry, your competition, and your company. Where are your strengths? What are your challenges? Where do you see growth opportunities?

Be sure to talk to others in your company and in your field. For outside research, you can use trade publications, Web sites, and industry associations. And of course, look to your current customers!

Remember that this is largely a snapshot in time, and your situation will change - that's why these plans are flexible and adaptable. But it's important to take the time to do an analysis of your business and "take the temperature" of the market on a regular basis.

## **Target Audiences**

Think about whom you're trying to reach with your marketing efforts. Existing customers and prospective ones are obvious targets - but you may also consider including:

- Employees and prospective employees
- Shareholders/Stockholders
- Industry consultants
- The general public
- The media - local and national trade press

## **Objectives**

Define your objectives as narrowly as possible. We recommend keeping the number of objectives to five or fewer - keep it manageable and realistic. You want objectives that will require you and your team to stretch your capabilities, but not those that are most likely unattainable. Consider including long-term and short-term objectives - for example, monthly quotas and year-long forecasts. When outlining short- and long-term objectives, be sure to specify a timeline for implementation. Your marketing plan is a mix of complimentary activities and programs that leverage each other to reach your objectives. And when possible, use numerical objectives so you can more accurately track and measure your return on investment.

## **Strategies**

Think about how to reach the objectives you just defined. How will you communicate with the target audiences - and what will your messages be? This is the stage where you should carefully craft your approach to your market, and plan how you want your company to go forward. You may decide to promote specific products or services, design a new pricing model, create an overall brand imaging campaign, or even go after new customer segments. Remember to view the strategies as your building blocks for developing, executing, and tracking your marketing game plan!

## **Tactics**

Now you can determine which vehicles to use to deliver the messages and strategies. Many of your tactics can be customized for different audiences, so be sure to take into account the best way to reach each target group. There is an ever-growing list of possibilities - from public relations to direct marketing to advertising campaigns. Here are some of the tactics that you may consider:

- Annual Reports
- Banner Ads (Online)
- Broadcast Ads (Radio, TV)
- Brochures
- CDs
- Community Relations/Good Cause Programs
- Direct Mail
- Media Tours
- Newsletters
- Press Releases
- Print Ads
- Product Promotions
- Sales Kits
- Sell Sheets
- Seminars/Trade Shows
- Videos
- Web Sites (or "siteettes" that are part of your established site)

## **Return On Investment Measurements**

Having tactics is one thing - but knowing that they worked according to plan is another. Too many marketing plans are built around "creating and executing," and don't ask the hard questions:

"Was it all worth it?" and "Where did we get the most return for our monetary investment?" ROI planning needs to be a key part of any quality, results-driven marketing plan. Knowing which tactic(s) made the most impact on your objectives will help you justify those tactics, and even the plan itself. When putting together each tactic, tie in key ROI measurements that link directly to the core objectives in your plan. This will help you see which marketing activities deliver the best results to your bottom line. Then, as you revisit your marketing plan, you can adjust it based on reliable results data.

### **Timeline**

This will keep you honest! Develop a realistic timeline for each tactic. Many times, it makes sense to work backward:

- You want to send your direct mail piece right before the trade show? Pick the date, and then incorporate time for addressing, figure in printing, then creative development and approvals, etc.
- Have a date that you want to launch your Web site? Talk to the programmers; make sure you have time to test it "live." Find out how much time the creative development team needs. And then plan on giving product managers and other sources of information an appropriate amount of time to gather the necessary materials.

To see all the activities and how they work together in the execution stages, incorporate a visual element to the plan. You can use a basic dated calendar that outlines different activities. This will help you see what's happening, when, and how often - all in one centralized view.

You'll probably realize that you should have started everything yesterday. However, this is the best way to motivate your team - and yourself - and to make sure that projects stay on track according to plan.

### **Budget**

Whether you use an outside resource or do it yourself, you'll need to set aside some funds for marketing -- for example, if you're going to employ advertising, plan on expenses for buying media, developing creative and perhaps even conducting focus groups to test prospective campaigns. Direct mail will require printing, postage, fulfillment (assembly), and possibly mailing list purchase costs. Be sure to research this area carefully, so there are no surprises in the middle of a great marketing effort.

Budgets can be broken out in several different ways. You can have one all-inclusive budget to cover all marketing-related activities - or you can divide the budget into "buckets" for areas such as sales, marketing, public relations, etc. This process and decision will depend on how your internal budget and Profit & Loss Statement (P&L) structure is set up.

### **Ready? Set? Go!**

We've given you a lot to think about - now we'd like to offer some additional resources. Call Pinpoint Positioning today for help in building your marketing game plan!

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