



# MARKETING PLANNING 101: DO YOU NEED A MARKETING PLAN?



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## INTRODUCTION

Today, you hear a lot from those in the digital marketing sector questioning the need for a strategic planning approach to marketing. They say that the way we market is changing too fast and that there is no real need for the type of strategic marketing planning of the past. But, the truth is that the speed of development of new media platforms does not obviate the need for taking a strategic approach to marketing planning.



According to a study done at the Etail East event in Philadelphia in August of 2013, 35% of the marketers attending said they did not have a clear marketing strategy in place for FY 2013/FY 2014. And, 50% of those attending did not have a three or a five-year marketing plan in place. (Source: DM News Article: <http://www.dmnews.com/etail-blog-insights-report-reveals-35-of-marketers-do-not-have-strategy-for-fy2014/article/324968/> ). Those numbers haven't changed, and if anything, have gotten worse since these surveys as more and more businesses are started with an idea, which you need, but no plan which you also need if you expect to be around in 3 to 5 years.

Clearly, many marketers are reacting and operating tactically in their approach to marketing. Whatever new media or vehicle comes along, they are jumping on them just as fast as they can, without any long term thought as to how this is going to help them achieve their financial objectives. Social media marketing comes along; they jump on it. Mobile media marketing comes along and they jump on it. Many jumped on the QR codes bandwagon without any plan as to whether it fit in their overall go-to-market plan or whether or not it was even right for their customer and product/service offering. The latest are the VR and the AI bandwagons. Everyone is trying to be hip and the first to use and conquer the new tools and media.

But, to be successful, you must take a strategic approach to marketing and develop a well thought out plan. Yes, you have to be flexible and ready to change tactics, but the plan needs to be the cornerstone of your go-to-marketing efforts.

## HOW THE PLANNING PROCESS SHOULD WORK

Over the years, our team has written and/or facilitated the creation of hundreds of marketing plans and the key question to ask before the start of work is “Who should be involved?” And that’s followed by “how and, in many instances, why?”

There is no one correct answer. It depends on your business. It’s size. Culture. Processes. And more.

We strongly recommend that when it comes to developing your marketing plan, you remember that it’s more than what the marketing department plans to do – it’s how your entire organization is going to work together to achieve the business goals and objectives.

Take a look at the marketing plan workbook that’s included in the addendum of this document. Some of those areas in the workbook are going to require information from various departments around the business. You need to find the best way to get that input into the plan – and get everyone’s buy-in to the plan.

If you have questions, or would like our recommendation, contact us at 651-315-7588.



## MARKETING PLANNING PROCESS

The guidance to develop a marketing plan comes from the marketing planning process. The strategic marketing process involves strategic analysis, strategy development, implementation, and the final stages of evaluation and control. It answers these four questions:

- Where are we now (the situation analysis)?
- Where do we want to be (your marketing goals and objectives)?
- What is the best route to get there (your strategies)?
- What do we need for the trip (your tactics)?

## WHAT IS A MARKETING PLAN?

A marketing plan is a map that guides an organization from Point A (its current state) to Point B (its desired state).



## WHY CREATE A MARKETING PLAN?

A well-crafted marketing plan helps you beat the odds. Planning does not ensure success, but it improves your footing on the playing field by revealing strengths and opportunities that you can use to your advantage. It exposes weaknesses and external threats, providing you with an opportunity to avert undesirable future events. It ends time-wasting speculation and wishful thinking, and focuses everyone in the organization on the facts and realities of the marketplace. It provides the insight to gauge what are reasonable goals for the organization. And, it provides a benchmark from which to assess in the future the effectiveness of marketing decisions and the return on marketing investments.

## WHERE ARE WE NOW? (THE SITUATION ANALYSIS)

To chart the best course of action, a marketer must know from where it is that they will begin the journey. Marketing planning begins with a detailed analysis of the marketing environment. This assessment of an organization's current state, called a situation analysis, answers the question, "Where are we now?"

### SWOT ANALYSIS



### STEPS OF A SITUATION ANALYSIS

1. Summarize the internal marketing environment—that is, your organization's
  - a. Philosophies that might influence its choice of marketing strategies
  - b. Recent and current performance
  - c. Products and services
  - d. Pricing
  - e. Promotions
  - f. Available resources.
2. Describe features of the external marketing environment that might affect the success of your organization. That is, describe important issues relating to:
  - a. Current customers
  - b. Competitors
  - c. Distributors and suppliers
  - d. The economic climate
  - e. The regulatory climate
  - f. The political climate and any other external factor that might impact the success of your organization.
3. Summarize key marketplace trends that might affect your organization's success in the marketplace.
4. Forecast market demand under normal conditions (i.e., assuming no major changes in the marketing environment or marketing strategies). Also forecast market demand given expected changes in the marketing environment or marketing strategies.
5. Based on your analysis of the marketing environment, describe characteristics of your organization that may help or hinder its ability to compete successfully in the marketplace. Your organization's strengths suggest strategy implications. Its weaknesses suggest where your organization must make investments.
6. Based on the analysis of the marketing environment, describe the major opportunities and threats facing your organization—that is, things outside of the organization's direct control that may affect its success in the marketplace. An opportunity is a market that is growing, profitable, or vulnerable. The best opportunities are those that match the strengths of the organization, giving the enterprise a competitive advantage.



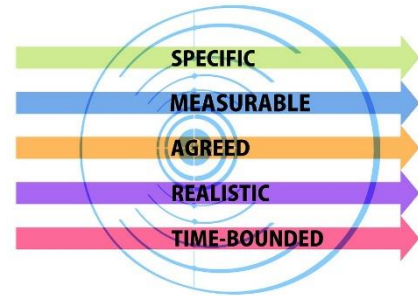
## WHERE DO WE WANT TO BE? (YOUR MARKETING GOAL AND OBJECTIVES)

The situation analysis should have revealed to you some of the strengths and weaknesses of your business and the opportunities and threats facing you in the marketplace. With that insight about your organization and its market environment, you are now ready to set goals and objectives for the coming year.

A marketing goal is your organization's aim, its desired destination. It is the answer to the question, "Where do we want to be?" Your goal may be to increase revenue or profits. It may be to capture a larger share of the market or something else.

Marketing objectives are the specific, measurable results that must occur if the goal is to be met. Marketing objectives are designed to correct a weakness, minimize threats, take advantage of strengths, or exploit opportunities in the market.

Examples of objectives include changes in revenue, profit, growth, market share, or market penetration. Your objectives might be to affect levels of consumer awareness, knowledge, or inquires.





## WHAT IS THE BEST ROUTE TO GET THERE? (YOUR STRATEGIES)

Now you must transform everything you have learned about your organization, consumers, competitors, and the macro environment into strategies that will help you achieve your goal. Marketing strategies explain how the plan's objectives will be met. They describe the best route that your organization can take to get from Point A (your current state) to Point B (your desired state).



For any marketing plan, strategy development follows a step-by-step process. The four steps include:

1. Target Market.

Because markets are large and varied, and competition is keen, no organization can serve all customers equally well. The optimal strategy in a competitive market is to concentrate on particular types of customers—market segments—that (1) you have an edge in serving and (2) present an attractive opportunity for your organization.

2. Marketing Expenditure Level.

Marketing strategy also calls for deciding how much your organization must invest if it is to meet its goals. Most established businesses spend 15-25 percent of gross sales on marketing. For start-ups, the marketing expenditure level in the short term will likely exceed expected sales revenue. A good rule of thumb is that expenditures during introduction should be twice the rate currently spent by competitors who have shares equal to the organization's objective.

3. Brand Positioning, By Market.

The next step is to decide on a position for the product—that is the positive idea that you want strongly associated with your name. "The uncola" (7-Up). "Overnight delivery" (Federal Express). "This Bud's for you" (Budweiser). "Stay warm, dry & protected" (Columbia Apparel). "Do more with Dell" (Dell Computers). The most effective positions have three traits. First, they are very simple—one to seven words. Second, they convey that you're offering provides a highly desired consumer benefit. Third, they convey how your offering is different from those of competitors.

4. Marketing Mix, By Market.

A marketing mix is the blend of "tools" that your organization will use to achieve its objectives with a particular target market. The tools, popularly known as "The Four Ps," include product, price, place (distribution), and promotion.

Some have said that the 4 Ps are dead and have been replaced by the Four Cs (clients, costs, communications, and convenience). The reality is that they are just the flip side of the coin from the Four Ps which are supplier focused when the Four Cs are customer focused.

Regardless of your approach, the tools of the marketing mix are interdependent and must be balanced. For example, your price depends on your product, and affects the promotional options available to you. The elements of your marketing mix must be integrated so that they work with, not against, one another.

## YOUR MARKETING MIX – THE FOUR “P’S” ARE NOT DEAD.

**Product Strategy.** How can you change the tangible and intangible features of your product in a way that will enhance your competitive advantage in the marketplace? Will you change the number or variety of your products? What product improvements will you make to provide more benefits to consumers? If you have more than one target market, you will want to develop product strategies for each.

**Price Strategy.** What are your pricing objectives (e.g., maximizing profits, maximizing revenue, or capturing market share)? What price range will support your sales and profit objectives? What price range will support your product, distribution and promotional strategies? If you have more than one target market, do they require different price strategies?

**Distribution Strategy.** How will you deliver programs and services to customers in the coming year (i.e., directly, through intermediaries, or both)? What is your rationale for that decision? If you have more than one target audience you may need more than one distribution strategy. Yes even if you sell direct to the end user, you have a distribution strategy.

**Promotional Strategy.** What are your promotional objectives? Given what you know about your organization and the nature of the market, how will you formulate your promotional mix so that it is cost-effective? What are your objectives and strategies for publicity, sales promotions, personal selling, direct marketing and advertising? What is your reasoning for each of your promotional strategies?



## WHAT DO WE NEED FOR THE TRIP? (YOUR TACTICS)

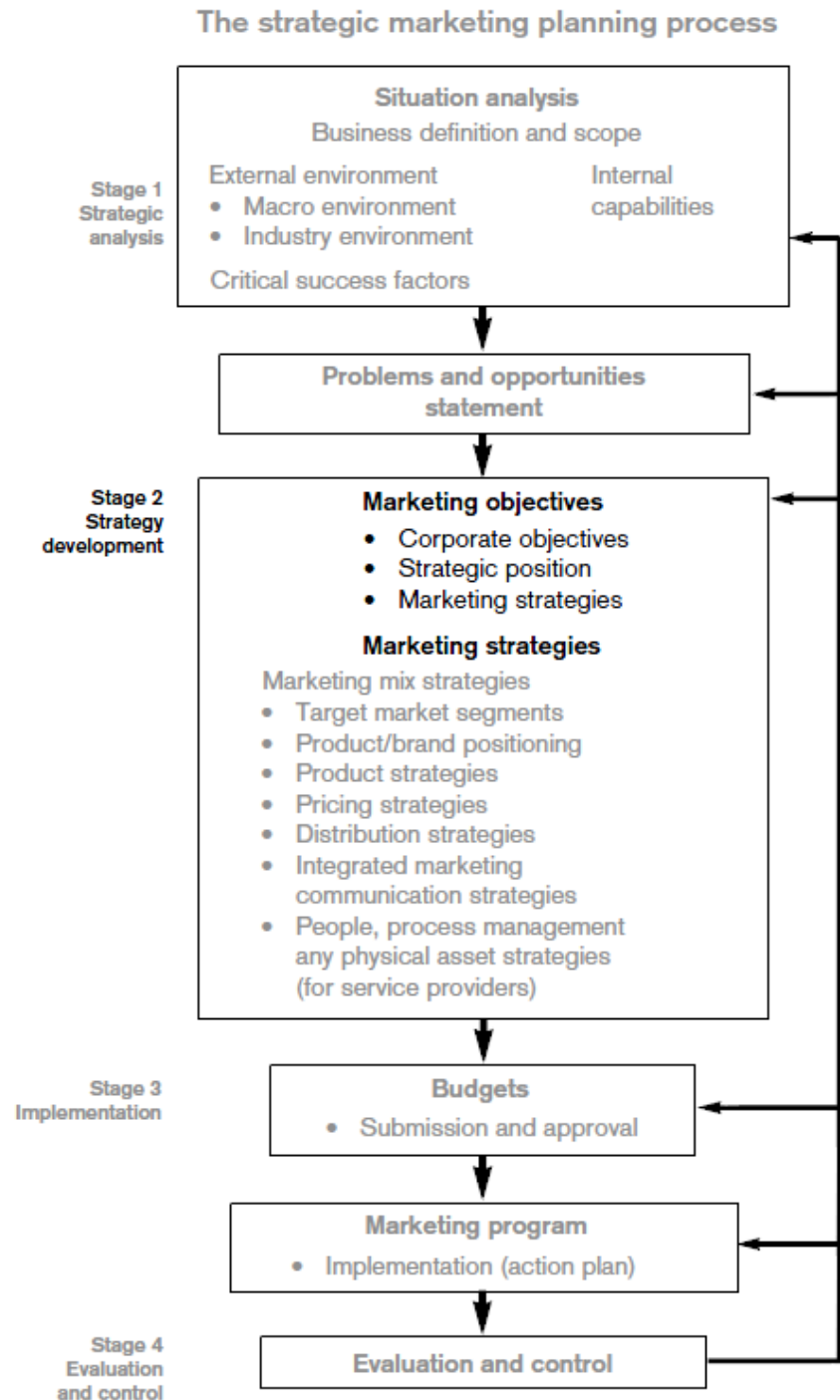
Tactics describe in detail the specific activities and expenditures that must occur if the organization is to reach its marketing objectives. Tactics represent the "who, what, when, and how much of the marketing plan." They are tasks that are assigned to specific individuals, with specific due dates. A tactical (or action) plan is your "to do list" for the trip you will take from Point A (your current state) to Point B (your desired state).



Your action plan (also known as a marketing communications plan) can be summarized on a spreadsheet as an annual calendar. The spreadsheet columns list the weeks or months of the year; and, the rows list the tasks, responsibilities and due dates. A spreadsheet format provides a way to visualize the scope of work and to easily adjust plans as new problems or opportunities arise during the year.

# THE STRATEGIC PLANNING PROCESS DETAILED INFOGRAPHIC:

The strategic marketing process involves strategic analysis, strategy development, implementation, and the final stage evaluation and control:



## OTHER TOOLS TO HELP YOU IN YOUR MARKETING PLANNING

[Marketing Planning 101 Workshop Presentation](#) –



The Marketing Planning 101 Workshop is a presentation of the marketing planning workshops we've conducted and outlines in detail the processes and steps that must be followed in the planning process. This workshop has been viewed by more than 100,000 marketers. There are similar presentations, but this one has been adapted by educators because of its thorough coverage of marketing planning. The workshop can be used as a self-paced tutorial and refresher or we use as a guide in live workshops when we work with clients to develop their actual marketing plans.

[Marketing Assessment](#) – The Marketing Assessment is a detailed audit of your organization's marketing that gives you an impartial, neutral valuation of your marketing strategies, processes, practices, programs, and operations.

[Marketing Performance Evaluator](#) - The Marketing Performance Evaluator marketing calculator enables you to score your organization's performance on each of twenty-five key marketing activities and assess their level of importance in achieving its overall goals. The calculator produces an overall score for all marketing activities.

[SWOT Analysis Tool](#) - A SWOT Analysis is a scan of the internal and external environment factors affecting your business; and, as a tool, it is an important step in the strategic planning process. This tool is used to conduct a comprehensive S.W.O.T. (strengths, weaknesses, opportunities, and threats).

[Competitive Situation Analysis Template](#) - Use this tool to quickly assess your organization's competitive position and determine the major issues or problems you must address to improve the competitive position of your organization.

[Competitive Position Mapping Tool](#) - The competitive positioning mapping tool will help you compare your capabilities against those of five competitors based on customer buying criteria.

## THE MARKETING PLAN TEMPLATE

To assist you in developing your marketing plan, we've included a link to a FREE version of our marketing plan template (Reg. \$29.99). This is a 25-page template that will guide you through development of your annual marketing plans. If you've already created your plans, you can use the template as a checklist to make sure nothing in the planning process has been missed. The template has also been included in the appendix for review. [Click here to download the doc. template.](#)

## ADDENDUM: MARKETING PLAN

**Company (Organization) Name:** Enter company or organization name here.

**Date of Plan:** Enter date of plan here.

**Period Covered by Plan:** Enter period which plan covers here.

**Plan Prepared by:** Enter names and titles of individuals who prepared this plan.

Note: instructions are included for each section. As sections are filled in, the instructions can be typed over. If a section does not apply to your business, you may leave it blank. This marketing plan template can be used for business-to-consumer or business-to-business planning. When printing or saving your plan, this note may be deleted from the plan template.

After completing the plan or each section of the plan, you will need to update the table of contents page.



Section 1:

1.0 COMPANY (ORGANIZATION) DESCRIPTION

*Provide a complete description of your Company (Organization), its products and/or services. This will include the corporate philosophy and objectives, the kind of enterprise image the marketing program is intended to portray, the strengths, weaknesses, opportunities and threats the enterprise must consider and your expectations for the future.*

*Note: Term "Company" will be used to refer to a business or organization, regardless of size or industry type throughout this document.*

### 1.1 COMPANY MISSION

*Describe the company's mission.*

### 1.2 COMPANY VISION

*Describe the company's vision.*

### 1.3 COMPANY IMAGE OBJECTIVES:

*Describe how Company is perceived in the market today and how you want it to be perceived in the future. If your objective is to change the image, explain why and how you expect to achieve the change. If the image change requires operational changes explain them and the impact they will have on your day to day operations.*

*Factors to consider:*

*Product/service quality*

*Past promotional objectives*

*Past ad contents*

*Sales organization*

*Service organization*

*Industry peer perception*

*Customer/prospect perception*

*Past market segments*

## 1.4 SWOT ANALYSIS

*This topic should be a distillation of the factors that have the most influence on your marketing plan as described in more detail below. Its purpose is to describe the most critical aspects of the plan, explaining how you will leverage your strengths to take advantage of perceived opportunities or to respond to threats and how you will compensate for known weaknesses.*

*Factors to consider:*

*Special/unique abilities*

*New/proprietary technology that may benefit you*

*New/proprietary technology that may threaten you*

*Changes in the economy*

*Requirement for or loss of key personnel*

*Access or lack of access to critical materials*

*Changes in government policies or regulations*

*Availability or lack of availability of capital*

*Transportation or communication changes (cost or availability)*

*Technology changes*

*Environmental changes*

*Market entry of new competitors*

*Social changes*

*List Strengths, Weaknesses, Opportunities and Threats*

## 1.5 THE FUTURE

*Project any organizational changes, growth in personnel count and changes in material assets. Discuss any new product or business concepts that have some likelihood of affecting the Company. If new technologies are on the horizon that could influence your way of doing business, explain. If environmental changes are on the horizon that could influence your way of doing business, explain. If global economic factors or globalization itself may have an impact on your way of doing business, explain.*

## SECTION 2

### 2.0 THE MARKET

*In this section describe the general characteristics of market segments that have a potential need to acquire your products or services. Consider environmental influences, the needs of the marketplace, the geographic and demographic distribution characteristics of your target market(s), current and projected market sizes and the kind of competition you will be facing.*

### 2.1 GENERAL MARKET DESCRIPTIONS

*Provide a general description of the market(s) you would like to compete in. You might first break your potential market into four major categories; individual consumer, education, other businesses or government. Having determined which of these segments you will be marketing to, then you might further break them down by geography (local, regional, national, international), past relationships, buying power, ability to use your offering, extent of need for your offering, the speed of the purchase decision process, etc.*

*When you are finished defining the viable market segments, check to make sure that each segment has a measurable potential, is accessible to your sales organization, can generate enough profit to support a long term effort and is stable enough to provide a reasonably consistent source of income.*

*Factors to consider:*

*Extent of market (local, regional, national, international)*

*General description of segments*

*Current versus new customers*

*Size of the typical prospect*

*Prospect profitability*

*Current ability of prospect to use product or service*

*Prospect's incentive to buy*

*Prospect's decision process*

## 2.2 THE CUSTOMER/PROSPECT DESCRIPTION

*It is important to determine whether your product or service will be marketed to the individual consumer, education, or other businesses or to government agencies because the marketing process is distinctly different for each of these. Having determined that, then you can proceed with more specific segmentation.*

### 2.2.1 PROSPECT OBJECTIVES

*Describe who the buyer is, why they want an offering like yours and what their objectives are with the use of your offering.*

*Factors to consider:*

*Purchaser's job title*

*Secondary influencers of the purchase decision*

*Does product/service improve buyer's operations*

*Is "prestige" involved in the purchase*

*Can buyer measure the benefits*

*Does buyer require a customized product/service*

*Will buyer purchase more than one unit*

*Requirements for;*

*Dependability*

*Durability*

*Economy*

*Efficiency*

*Reliability*

*Productivity*

*Uniformity*

## 2.2.2 SEGMENTATION AND DISTRIBUTION

*Describe prospect distribution and characteristics of the market segment.*

*Market distribution might be described as local versus international or urban versus rural.*

*Characteristics include factors such as profitability, growth rates, knowledge of your industry, whether they are past customers, etc.*

*Be exhaustive in these descriptions since this is a critical factor in your marketing strategy. Give close attention to insuring an accurate and detailed description.*

*If this is a business-to-business marketing plan, consider the following;*

*Strategic - deals with company mission, objectives and operational oversight. For example, a service that helped evaluate capital investment opportunities would fall into this domain of influence. This purchase decision will be made by the customer's top level executive management.*

*Operations - deals with general operating policies and procedures. Examples might be an employee insurance plan or a companywide communications system. This purchase decision will be made by the customer's top level operations management.*

*Functional - deals with a specific function within the company such as data processing, accounting, human resources, plant maintenance, engineering design, manufacturing, inventory control, etc. This is the most likely domain for a product or service, but you must recognize that the other domains may also get involved if the purchase of the product or service becomes a high profile decision. This purchase decision will be made by the customer's functional management.*

*Factors to consider:*

*Geographic locations*

*Concentrations of prospects*

*Purchasing power*

*Segments with past customers*

*Need for the product/service*

### 2.2.3 MARKET SIZE – PAST, PRESENT & FUTURE

*Using the breakdown provided in the market segmentation and distribution section, for each segment show the past and present sizes. Then make a growth projection for each with a rationale in support of the projections. When specifying market sizes, include supporting information from sources that will be credible.*

*Indicate number of companies or consumers by segment, total market opportunity and market opportunity by prospect.*

*Factors to consider:*

*Number of buyers*

*Number of units (yours or competitors) to be purchased by each buyer annually*

*\$\$ value of the market*

*Size projections over time*

*Special considerations that could cause projections to change*

### 2.2.4 ALTERNATIVE SOLUTIONS AVAILABLE TO THE PROSPECT

*Describe the buyer's alternatives and why they would opt for your offering.*

### 2.3 TARGET MARKETS

*Specify which of the potential market segments described above represent your target market and why.*

*Factors to consider:*

*Immediate need for product/service*

*Purchasing power*

*Accessibility*

*Willingness to make a decision*



## 2.4 ENVIRONMENTAL INFLUENCES

*Discuss environmental factors influencing the sale of your product or service. These might include factors such as new government regulations, fuel oil shortages, an aging population, greater health consciousness, global warming, etc. Be very specific as to why these factors are positive or negative for your enterprise and how you expect to use that knowledge.*

*Factors to consider:*

*Changing technologies*

*Changing social values*

*Changing climatology*

*Resource limitations*

*Taxes*

*Fashion trends*

*Life style trends*

*Age of the society*

*Government price controls*

*Government subsidies*

*Licensing requirements*

*Safety regulations*

*Education changes*

*Changes in geographic preference*

*Changes in usable income*

## 2.5 THE COMPETITION

*Provide a summary of the competition as a group and how your company is positioned as one of the competitors. For the strongest competitors, describe them and their product or service and why they are such strong competition. If your marketing plan includes tactics that are a direct response to one or more of the competitors, describe these tactics and explain why you expect them to be effective.*

*Factors to consider:*

*For competitors as a group:*

*Number of competitors*

*Is market gaining or losing competitors*

*Are competitors profitable*

*Do competitors have manufacturing or marketing advantages*

*Do you expect more or less pricing pressure from the competition*

*For individual competitors:*

*Image*

*Names of key competitors and their products/services*

*Leader or follower*

*How long have they been in business*

*Employee relations*

*Pricing record*

*Growth record*

*Manufacturing/marketing experience*

*Record of response to competition*

*Record of technological innovation*

*Market share*

*Record in other markets*

*Product/Service*

*Price*

*Price versus value*

*Ease of installation*

*Ease of use*

*Education requirements*  
*Technical support requirements*  
*Reliability*  
*Operating costs*  
*Proven return on investment*  
*Proprietary technology*  
*Product differences*  
*Service/warranty record*  
*Marketing*  
*Marketing organization*  
*Promotional techniques*

#### 2.5.1 MARKET SHARE

*For the planning period, project the percentage of the market that each competitor owns or will capture.*

### SECTION 3

### 3.0 MARKETING STRATEGY

*Describe your marketing and support strategy as it relates to your offering, sales methodology, distribution channels, pricing, publicity, advertising and customer support.*

*Factors to consider:*

*Pricing strategy*

*Promotion strategy*

*Market shares*

*Type of sales force*

*Sales support activities*

*Critical dependencies*

*Channels of distribution*

*Advertising commitment*

*Promotional commitment*

*Use of outside agencies*

### 3.1 PRODUCT AND SERVICES

*This should be a general description of your product or service line(s) with consideration for competition, industry standards, environmental influences and the impact on the user's day-to-day operations.*

*Factors to consider:*

*Name*

*Age*

*Benefit to user*

*Comparison to competition*

*Patent/trademark*

*Adherence to industry standards*

*Emotional/visual appeal*

*Environmental influences*

*Ease of use*

*Impact on user operations*

*Use of proprietary technology*

*Pricing*

### 3.1.1 SPECIFIC PRODUCTS AND SERVICES

*This is a description of each product or service as it will be offered to the marketplace.*

*If it is a product describe features, benefits, technological factors of import and unique aspects that make it more desirable to the market than competitive products.*

*For a service describe the purpose, benefits, method of delivery and unique aspects that make it more desirable to the market than competitive services.*

*Factors to consider:*

*Function(s) performed*

*Industry credibility*

*Special/unique abilities*

*Trademarks/patents*

*New/proprietary technology*

*Product/service family relationships*

### 3.1.2 VALUE PROPOSITION

*For each product or service explain why it is of value to a purchaser and attempt to present the value in measurable terms.*

*For example, for a business, a product might "reduce rejects by 20% and eliminate one person from each assembly line". A service might "educate middle management in personnel review techniques, thus significantly reducing employee dissatisfaction".*

*For example, for a consumer, a product might "whiten your teeth and reduce cavities by 50%."*

*A very clear understanding of this subject is vital to an effective marketing plan. Understanding which purchase motivation factors have the most influence for your products or services is important.*

*If you are selling to another business, consider the following factors: .*

*Reduction in expenses*

*Businesses that are downsizing (right sizing)*

*Businesses that have products in the mature stage of their life cycle*

*Improved cash flow*

*Businesses that have traditionally low profit margins*

*Businesses that have traditionally high inventory costs*

*Improved productivity*

*Businesses that have traditionally low profit margins*

*Businesses that have recently experienced depressed earnings*

*Improved manufacturing quality*

*Businesses with complex, multi-discipline manufacturing processes*

*Improved service delivery*

*Service businesses in highly competitive markets*

*Product businesses requiring considerable after sale support*

*Improved employee working conditions/benefits*

*Businesses where potential employees are in short supply*

*Improvement in market share/competitive position*

*New entrants to a competitive market*

*Need for education*

*EG: Books on business planning, seminars on TQM*



*Prospect bias toward specific factors that favor your offering*

*EG: Fast software, more efficient production process, etc.*

*Involvement with social trends*

*EG: Environmental protection, employee security, etc.*

### 3.1.3 BRANDING

*Describe your objectives with respect to establishing or using existing brand names. Explain whether the name will apply to a unique product, a product line or even a whole category of products. If you are planning on trademark activity this should be described and any potential conflicts with existing names should be explained.*

*Factors to consider:*

*Manufacturer's brand*

*Family brand*

*Category brand*

*Specific product brand*

*Private label brand*

*Trademarks*

*Logos*

*Patents*

### 3.2 PRICING STRATEGY

*Describe the rationale for your pricing strategy, considering factors such as differentiation, focus and cost management. Show the average pricing in terms of dollars per transaction and how that compares to the competition. If you plan pricing specials or volume discounts, describe them. If you intend to use dealers or distributors, discounts or commissions will be required and should be described.*

*Factors to consider:*

*Cash requirements*

*Long term staying power*

*Market penetration objectives*

*Competitive pricing*

*Competitor's objectives*

*Strength of competitors*

*Average selling price considering all channel discounts*

*Prospect's sensitivity to price versus product value*

*Use of pricing specials or trade allowances*

*Impact on sales organization*

### 3.3 SALES AND DISTRIBUTION METHODOLOGY

*Describe the channels of distribution you will use, assessing how your success depends on each of the channels.*

*Factors to consider:*

*Kinds of channels*

*Direct mail/telemarketing*

*Direct sales*

*Resellers*

*Consultants, Integrators*

*Internet*

*Competitor's use of channels*

*Channel's locations*

*Channel's reputation*

*Channel's financial stability*

*Channel's discounts as compared to alternative channels*

*Channel's access to desired market segment*

*Channel's experience with your kind of product*

*Conflict between in-house sales and selected channels*

### 3.4 PROMOTIONAL STRATEGY

*Describe your promotional strategy.*

*Factors to consider:*

*Product price*

*Product quality*

*Relationships with channels*

*Competitors relationships with channels*

*Channel discount requirements*

*Potential for publicity*

*Avenues for advertising*

*Kind of product*

#### 3.4.1 PRODUCT/SERVICE IMAGE

*Describe how your product or service is perceived in the market today and how you want it to be perceived in the future. If you are changing the image, explain why and how you expect to achieve the change.*

*Factors to consider:*

*Product endorsement(s)*

*Requirement for complementary products*

*Scientific credibility*

*Emotional appeal*

*Customer satisfaction*

*Degree to which it solves customer's problem*

*Feature comparison to competition*

*Price versus competition*

*Quality versus competition*

### 3.4.2 PUBLICITY

*Describe what media you are targeting for publicity, how you intend to generate the interest, what form the publicity will take and when the publicity will occur.*

*Factors to consider:*

*New product announcements*

*Product update announcements*

*Product application articles*

*Press conferences*

*Endorsements from customers or "experts"*

*Trade show presentations*

*Local/national news articles*

*Talk shows - TV/radio*

*Social media*

*Blogs*

*Twitter*

*SMS text messaging*

### 3.4.3 ADVERTISING

*Describe each form of advertising planned, specifying the market it is aimed at, the form it will take, what it will cost and the expected return.*

*Factors to consider:*

*Literature:*

- Article reprints*
- Competitive comparisons*
- Feature explanations*
- Benefits explanations*
- Concepts education*

*Advertising thrust:*

- Corporate image*
- Product family*
- Product features*
- Competitive comparisons*

*Media:*

- Magazines*
- Trade journals*
- Newspapers*
- User letters*
- Television*
- Radio*
- Trade shows*
- Conferences*
- Email*
- Internet*
- Mobile*
- Direct mail*
- Card decks*

*Media focus on your market segment*  
*Cost to expose each prospect to your message*

### 3.5 LEAD GENERATION STRATEGY

*Describe the sales leads generation methodology and flow process.*

### 3.6 CUSTOMER SUPPORT

*Describe policy for product or service warranty and what form of support will be required to meet the warranty commitments including organization structure, personnel, experience, size and location.*

*Factors to consider:*

*Warranty commitments*

*In-house versus on-site support*

*Service after warranty*

*Proof of purchase*

*Delivery to and from service area*

*Service personnel experience requirements*

*Education of service personnel*

## SECTION 4

### 4.0 MARKETING & SALES ORGANIZATION

*Provide a description of the current organization including size, location, scope of the company activities and plans for changes in the future.*



## 4.1 OBJECTIVES

*Describe short and long term objectives for the organization. The long term objective should be somewhat general and philosophical, while the short term objectives should be more operational and specific.*

*For example, a long term objective might be;*

*Our company will come to be recognized as the leader in the field of solar energy.*

*A short term objective might be;*

*Our wind turbines will capture 50% of the market by 2015.*

## 4.2 ORGANIZATION FACTORS

*Provide an organization chart that shows structure and size for each functional unit. In general describe staffing and skill levels. Discuss any internal or external factors that may influence your organization*

*Factor to consider:*

*General management philosophy*

*Completeness of staffing*

*Sales management structure*

*Locations of sales offices*

*State or Federal or International regulations that influence organization decisions*

*Distribution channel interfaces*

*Relationships with sister organizations, partners, alliances*

#### 4.2.1 MARKETING ORGANIZATION

*Describe your marketing organization with respect to structure, personnel, experience, size and location. How does this relate to the target markets?*

*Factors to consider:*

*Management experience*

*Current marketing personnel*

*Experience/contacts with media personnel*

*Generation of leads*

*Interface with sales to provide leads*

#### 4.2.2 SALES ORGANIZATION

*Describe your sales organization with respect to structure, personnel, experience, size and location. Show how this relates to your target market(s). Explain how the sales personnel will sell the offering and how they will be compensated.*

*Factors to consider:*

*Sales method:*

*Field sales force for on-site sales*

*Telesales*

*Third party sales (resellers, consultants, etc)*

*Management experience*

*Current sales personnel*

*Sales personnel recruiting*

*Motivation techniques*

*Commissions*

*Education of sales personnel*

*Technical support for sales*

*Product demonstrations*

*Sales offices*

*Ability to contact prospects*

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#### 4.3 KEY PERSONNEL

*List the key personnel in the organization, with name, position, responsibilities and a complete description of their experience.*

#### 4.3.1 EXPERIENCE & FUNCTIONAL RESPONSIBILITY

*For each of the key personnel describe their functional responsibilities, how their experience prepares them for these responsibilities and their operational objectives for the next 12 months. The objectives should be measurable and the personnel prepared to review them at any time.*

*Factors to consider:*

*Name*

*Age*

*Education*

*Work experience*

*Position title*

*Placement in organization structure*

*Management responsibilities*

*Achievements*

#### 4.3.2 KEY POSITIONS NOT FILLED

*Key positions that need to be filled within the next twelve months should be described with an explanation of how you expect to fill the position.*

*Factors to consider:*

*Position title*

*Placement in organization structure*

*Experience level required*

*Management responsibilities*

*Staffing from inside or outside*

*Use of professional recruiters*

*Desired date for staffing*

*Drop dead date for staffing*

#### 4.4 OPERATIONAL FACTORS

*Describe the material assets of the organization, including buildings, equipment, inventories, etc., that have an impact on sales strategy and execution. Describe what aspects of your business are considered appropriate for performing in-house and those that are done by sub-contractors. In particular, address the organization's sales philosophy and the process of delivering your products or services to the customer and how you are structured to accomplish this.*

##### 4.4.1 THE SALES PROCESS

*Describe the sales philosophy (ethics and procedures and limitations) and sales contract process to which you expect the sales personnel to adhere.*

##### 4.4.2 THE LEAD MANAGEMENT PROCESS

*Describe CRM lead management process for qualifying, nurturing and closing and tracking leads.*

##### 4.4.3 THE IMPLEMENTATION PROCESS

*Describe the implementation process once the purchase has been made. You needn't complete this section if the target audience is consumer and the sale is complete once the customer has made the purchase. Some consumer sales might involve implementation, such as computer and home electronics, and possibly vehicles as well.*

## SECTION 5

### 5.0 CRITICAL SUCCESS FACTORS, KEY MANAGEMENT ISSUES

*Describe those factors that impact the ability to successfully execute this plan.*

*Factors to consider:*

*Funding*

*Management commitment*

*Technology*

*Personnel*

*Market factors*

## SECTION 6

### 6.0 MARKETING PLAN SUMMARY

*This is a synopsis of the plan that management can refer to whenever required as they pursue the plan objectives.*

*Describe the company with an emphasis on the marketing organization, your one year and long term objectives, the product(s) or service(s) being marketed, the market to be addressed, your strategy for accessing and selling to that market, the competition and briefly, the financial results you expect in the first three to five years of operation.*

## SECTION 7

### 7.0 FINANCIAL PROJECTIONS

*Provide a projection of revenue and expense that is consistent with the market potential for your offerings and the resources the enterprise and, in particular, the marketing and sales organization, has to accomplish the plan.*

*Factors to consider:*

*Available capital*

*Projections for:*

*Revenue*

*Profit*

*Current assets*

*Capital Equipment*

*Facilities*

*Financial/operations ratios*

## 7.1 MARKETING EXPENSE PROJECTIONS

*Include these factors in marketing expenses budget worksheet. These expenses are related to direct sales and/or lead generation.*

*Advertising*

*Commissions*

*Public Relations*

*Sales Promotion*

*Direct Marketing*

*Samples*

*Shipping*

*Travel/entertainment*

*Wages*

*Payroll taxes*

*Rent*

*Utilities*

*Facility maintenance*

*Insurance*

*Telephone*

*Office supplies*

*Professional services*

*Company vehicles*

*Bad debt*

*Depreciation*

*Interest*

*Miscellaneous*



## 7.2 SALES EXPENSE PROJECTIONS

*Include these sales related factors in expense projections. These expenses are related to closing the transaction.*

*Advertising*

*Commissions*

*Public Relations*

*Samples*

*Shipping*

*Travel/entertainment*

*Wages*

*Payroll taxes*

*Rent*

*Utilities*

*Facility maintenance*

*Insurance*

*Telephone*

*Office supplies*

*Professional services*

*Company vehicles*

*Bad debt*

*Depreciation*

*Interest*

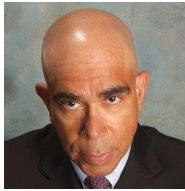
*Miscellaneous*

## ABOUT DWS ASSOCIATES

Founded in 1982, DWS Associates is a full service marketing firm that develops and implements multi-channel marketing programs for organizations targeting business-to-consumer and business-to-business audiences in global markets. Our focus is on data-driven, innovative lead generation, lead nurturing, retention, and referral programs that attract, engage and retain profitable customers. Our staff is highly experienced in market research, competitive intelligence, business intelligence and analytics, strategic planning and campaign management - so we help you increase sales and marketing performance while building strong, unique, differentiated brands.

## ABOUT THE AUTHORS:

### DUDLEY STEVENSON



Dudley Stevenson, founder and CEO of DWS Associates, has over thirty-five years' experience in consumer marketing, business-to-business marketing, and direct marketing, including developing, planning, and implementing go-to-market strategies. He's also the author of "Marketing Direct: Breaking Through The Clutter." Working with organizations ranging from start-ups to Fortune 100 companies, he and his team have helped clients such as IBM, SAS Institute, Sony, Neiman Marcus, Arizona Highways, Marshall Field & Co., Mrs. Field's, UNICEF, SSA Global Technologies, Hartmarx, and Patagonia implement successful direct marketing programs. A longtime member of the Direct Marketing Association and the American Marketing Association, Stevenson is also a sought-after speaker. He's given hundreds of presentations and workshops on marketing and direct marketing. His "Marketing Planning 101" workshop alone has reached more than sixty thousand marketing and sales professionals.

### PAT MCGRAW

For more than 25-years, Pat has been developing and leading integrated multi-channel direct marketing campaigns targeting B2B and B2C audiences for non-profit and for-profit organizations in education, technology, retail and other industries.



Drawing upon his experience in market research, competitive intelligence, data analytics and strategic planning, Pat identifies opportunities for success - new audiences to pursue, new markets to enter, new programs, products and services to develop and launch, pricing strategies, etc. And with his operational experience, Pat launches and manages integrated campaigns (recruitment and enrollment campaigns that attract, enroll and retain students more effectively for colleges, and lead generation and retention campaigns for tech firms, retailers and service firms). The results include lowering the cost to enroll a new student/attract a new customer, increasing retention rates and more.

Within the education sector, Pat has worked with leading service firms including Noel Levitz, Hobsons, Aslanian Market Research, as well as a wide variety of institutions including Greenville College and Alvernia University to University of Maryland University College, Walden University, University of Chicago, Tulane University and others. Outside of education, Pat has worked with leading corporations and service firms including Microsoft, IBM, Sears, Kmart, Insight, Barry Blau & Partners (currently Havas Worldwide) and more.

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