

YOUR MARKETING PLAN of ACTION

*By: Dr. Ronald E. Milliman, Retired Professor, Western
Kentucky University*

Why Have a Marketing Plan?

Your marketing plan is your chart to success. We all know that plans are imperfect things. How can you possibly know what's going to happen 12 months or five years from now? Isn't putting together a marketing plan an exercise in futility ... a waste of time better invested in actually working your business?

Yes, possibly, but only in the narrowest sense. If you don't plan, you're doomed, and a slightly inaccurate plan is far better than no plan at all. To stay with our sea captain analogy, it's better to be 5 or even 10 degrees off your destination port than to have no destination in mind at all. The point of sailing, after all, is to get somewhere, and without a marketing plan, you'll wander the seas aimlessly, sometimes finding dry land but more often than not floundering in a vast ocean. Sea captains without a chart are rarely remembered for discovering anything but the ocean floor.

The Importance of a Good Marketing Plan

Every business should have an elaborate, written business plan, and a detailed marketing plan is a very important component of that overall business plan. As your business environment changes, such as your competition, product demand, and technology, you need to update your marketing plan to reflect your changing competitive position, strengths

and weaknesses of your business as you face those changing business situations and environments. A detailed marketing plan lets you see where your marketing efforts have been, where you currently stand, and where you are heading, all tied to very specific target objectives.

There are actually three levels of marketing plans we can identify. They certainly overlap and are not mutually exclusive. However, they tend to serve somewhat different purposes. They are:

- The marketing plan that is a component within the broader business plan
- The strategic marketing plan which concentrates on new market opportunities, e.g. new markets, new product or service opportunities, etc.
- The Tactical Marketing Plan, which focuses on getting more out of what you are already doing

I am going to present an outline and overview of a Marketing Plan of Action that can be adapted to your needs and be used in all three of these applications. While your business plan should include your overall mission statement to keep you focused in the right direction, your marketing plan should contain very specifically stated marketing goals and objectives. These objectives must be clearly stated and measurable and time specific. Your objectives tell you whether you are on target or if some adjustments need to be implemented.

It is absolutely critical that you embrace realistic and very specific objectives. Your objectives should be time specific, indicating a beginning and ending period for each objective, and each one must be measurable. Here is an example of a

very poorly stated objective followed by a correctly stated one:

Poorly stated: 'We will increase sales.'

Correctly stated: 'We will increase our average sales from \$175,000 to \$210,000 per quarter beginning with the first quarter of 2014.'

Do you see the difference? The first objective is essentially meaningless; it is neither time specific nor measurable in any useful way. If sales were to go up by \$1 it is an increase and if sales were to go up by \$40,000, that too is an increase. So, such a non-specific objective is meaningless.

The second, however, is very specific and measurable. We know that the objective is to increase sales by a very specifically stated average per quarter beginning with a specifically designated quarter. If after two quarters, the average is less than the targeted amount, then, possible action may be called for. If, however, the obtained sales level is over the targeted amount, then, it might be bonus time!

Your objectives must be realistic. By realistic, I mean that they will be achievable but will require you to stretch, to make an extra effort to accomplish.

Necessity of a Realistic, Written Marketing Plan

A realistic, written business and marketing plan is vitally important for many reasons:

- 1) It forces you to think through the critical elements of your business.

- 2) It forms a road map for you to follow to get from where you are to where you want to be.
- 3) It facilitates you're sharing your plans with any possible partners, investors, etc.
- 4) It allows you to review your progress from time to time to determine if you are on course.
- 5) You can easily make any necessary modifications as needed.
- 6) Thought-out, written plans are more of a definitive commitment than simply mental notes.

Creating Your Marketing Plan

The following outline can be adapted to your specific requirements. It is quite detailed, but again, it can be modified to meet the needs of your particular business situation.

As a business consultant, I have worked with numerous firms from entrepreneurial start-ups to Fortune 500 corporations, and when working with them to develop a marketing plan, this is the outline I use, adapting it to their specific business type and situation:

Marketing Plan of Action Outline

- I. Introduction
 - A. Name and type of business
 - B. Needs and/or wants fulfilled by your business

- C. Strengths of your business
- D. Weaknesses of your business
- E. Opportunities to be exploited
- F. Threats to be aware of and to avoid
- G. Your Unique Selling Proposition (USP)

II. Target markets

- A. Commercial
 - 1. Existing
 - 2. Potential
- B. Consumer
 - 1. Existing
 - 2. Potential

III. Description of products and/or services

- 1. Existing
- 2. Potential

IV. Pricing

- A. Pricing objective
- B. Specific pricing method (should be demand based)

V. Supply Chain (Distribution)

A. Channel Structure (Middlemen/intermediaries making up your supply channels)

B. Logistics (transport methods)

VI. Integrated Marketing Communications

A. Personal Selling, face-to-face communications

B. Advertising (types, reach, frequency, etc.)

C. Sales Promotions, e.g. contests, rebates, etc.

D. Point of Sale Displays

E. Public Relations Activities

F. Publicity

G. Special Packaging or bundling

VII. Guerilla Marketing

VIII. Online Marketing

A. Developing Email list from existing customers

B. Website

C. Newsletter

D. Social Media, e.g. Facebook, Twitter, LinkedIn, etc.

IX. Marketing Budget