

# Marketing plan

To grow their business, companies and business organisations need a **marketing plan**, which identifies every aspect of their business, from how to target customers, how to reach and how to keep them. A proper market plan should include the following sections.



1. INTRODUCTION	<b>Executive Summary</b>	<ul style="list-style-type: none"> <li>Overview of the plan</li> <li>Summary of the other sections</li> </ul>
	<b>Mission and objectives</b>	<ul style="list-style-type: none"> <li>Definition of the mission, e.g. business model and market entry strategies</li> <li>Setting of SMART objectives, i.e. objectives which are Specific, Measurable, Achievable, Realistic and Timed</li> </ul>
2. STRATEGIC PHASE	<b>Situational analysis</b>	<ul style="list-style-type: none"> <li>Market research to discover general trends, what the competitors are doing, and customer needs</li> <li>SWOT analysis of the company and its competitors</li> </ul>
	<b>Targeting and market segmentation</b>	<ul style="list-style-type: none"> <li>Identifying the market section (e.g. potential market, available market or target market)</li> <li>Definition of market segmentation, i.e. the characteristics of potential customers in the target market</li> <li>Positioning, i.e. a strategy on how far the product should be from competitors' products</li> </ul>
3. TACTICAL PHASE	<b>Marketing mix</b>	<ul style="list-style-type: none"> <li>Choice of the products and their characteristics, e.g. line, brand, and eventual accessories, guarantees, etc.</li> <li>Price strategy (e.g. cost plus profit, penetration cost, etc.)</li> <li>Choice of distribution channel (e.g. supermarket, small shop, etc.).</li> <li>Promotion and choice of logos, images and slogans</li> </ul>
	<b>Budget and operational plan</b>	<ul style="list-style-type: none"> <li>Allocation of resources and implementation of the plan. At this stage the focus is on quality and experience</li> </ul>
4. OPERATIONAL PHASE	<b>Product launch</b>	<ul style="list-style-type: none"> <li>Study of key success factors and of the official launch of the product (e.g. special promotions for the launch)</li> </ul>
	<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>Sales and product life cycle analysis</li> <li>Financial analysis to monitor profits and losses in the short and long run</li> </ul>
5. EVALUATION	<b>Improvement</b>	<ul style="list-style-type: none"> <li>Taking action to adjust the plan, e.g. to increase sales and profits, to reduce losses</li> </ul>





**1** Read these extracts from a marketing plan of a computer reseller and choose the sections to which they refer.

1. A core element of our marketing strategy is a change in the marketing mix. In terms of promotion, we need to sell our company as a differentiated strategic ally, not just our products. In price, we need to remain higher than the competition and we need to be able to defend that.
  - a. Section 3, Marketing mix
  - b. Section 3, Targeting and market segmentation
2. As the following details show, we need to improve our gross margin and contribution margins. The business has been trending towards lower profits because we've been caught in price competition. We need to reverse that trend.
  - a. Section 4, Budget and operational plan
  - b. Section 5, Monitoring and evaluation
3. Before we talk about strategy for future development, we have to understand where we are, and where we've been. Strategy is about playing towards strengths and away from weaknesses. Marketing is about understanding our target markets and target market needs.
  - a. Section 2, Situational analysis
  - b. Section 5, Targeting and market segmentation
4. Our target customers are on average as dependent on reliable information technology as any other business. They care more about reliable service and confidence than about the rock-bottom lowest price.
  - a. Section 3, Marketing mix
  - b. Section 3, Targeting and market segmentation
5. The prospective buyers are accustomed to buying from vendors who visit their offices. They expect the copy machine vendor, office products vendors, and office furniture vendors, as well as the local graphic artist, freelance writer, or whoever, to come and visit their office to make their sales.
  - a. Section 2, Mission and objectives
  - b. Section 2, Situation analysis
6. The milestones as shown are the key items in our repositioning. Ralph is in charge of advertising, which includes the new corporate brochure. Leslie, as sales manager, has some specific programmes as well as the sales goals.
  - a. Section 3, Marketing mix
  - b. Section 5, Improvement
7. Tracking and follow-up: Will we have the discipline, as an organisation, to track results of the marketing plan and make sure that we implement?
  - a. Section 5, Monitoring and evaluation
  - b. Section 5, Improvement
8. We have strengths to balance our weaknesses, particularly our knowledge of what our customers need in terms of connectivity, the Internet, LANs, software, training, and service. We also have some attractive opportunities in these same areas of expertise.
  - a. Section 2, Mission and objectives
  - b. Section 2, Situational analysis
9. We need to focus our offerings on small business as the key market segment we should own.
  - a. Section 2, Mission and objectives
  - b. Section 4, Budget and operational plan



**2** Read section 3 (Marketing mix) of a marketing plan for a portable DVD player and prepare a similar one for a phone tablet.

DVD Makers' approaches to product, price, distribution and promotion are the following:

**Product:** an extended 2-year guarantee is offered to our customers.

**Price:** a penetration price has been chosen.

**Distribution:** our DVD players will be offered both to wholesalers and retailers.

**Promotion:** a mixture of online and in-print (hi-tech magazines) will be used.

