

## **5 Simple Steps to creating an effective Marketing Plan**

You don't need elaborate charts or high-priced consultants to develop effective marketing. But you do need a plan. A marketing plan gives you a roadmap that can drive action and point the way. A marketing plan can help you:

- Identify which customers are your best prospects.
- Evaluate company data against your industry or market.
- Track results so you learn what works.

Without a plan, you may be moving fast, but you may not be moving in the right direction. Here are five steps to creating a strategic and practical marketing plan.

### **Step 1: Position Your Product**

Many business owners blur the lines among promotion, advertising, and public relations. Those are the channels of a message or campaign, not marketing itself. The four Ps of marketing are:

- **Product:** Having the right product or service for your market.
- **Price:** Selling your product or service for an amount that makes your target customer feel it's a good deal.
- **Promotion:** Creating appropriate perceptions across multiple channels, including, print — direct mail, flyers, brochures, and postcards, TV or radio spots, newspaper or magazine ads, online and more.
- **Place:** Distributing your product to locations where your target customers can readily find it.

Putting the right product or service at the right price in front of the right customer will ensure that you walk the path of success. Keep in mind that a high volume of sales isn't the key. Profit is. The goal of marketing is to generate the interest or recognition that will lead to the sales that will boost profits. That's the reason to create a strategy. You want to craft persuasive messages for the customers you target. You also want messages that promise only what you actually deliver.

## **Step 2. Brainstorm**

To define appropriate marketing for your company, set up some brainstorming meetings with advisors you trust, such as family, friends, staff, or other professionals. Meetings can be casual lunches or formal offsite meetings. Just stay away from ringing phones and don't expect to get everything done in one meeting. At these sessions, explore answers to these questions:

- Who are you selling to?
- What do those customers need?
- What distinguishes your product or service from the competition?
- Which marketing tactics will make your products noticeable?
- When and how often should marketing efforts be used?
- Where do you want your company to be in a year?

You might consider taping these sessions and distilling the best ideas and suggestions. Start putting notes on paper. Describe the location and size of your marketplace, how sales and distribution will work, your target customer (age, income, locations, and purchase patterns) and how your products rate against competitors.

## **Step 3: Listen to Customers**

Next, you need to know how customers react to your quality and price, service and delivery, image and brand—everything, in short, that influences their purchasing decision.

To discover what customers think, just ask them. Survey some of your current customers as well as customers you want to reach. Make personal calls or send them surveys via e-mail or postcards. Include an incentive to boost participation, such as a discount or a free sample.

Based on what you learn, prepare a SWOT analysis that deconstructs your business in fresh ways:

- Strengths: What makes your business thrive?
- Weaknesses: What are your vulnerabilities?
- Opportunities: What market conditions or segments can lead to growth?
- Threats: How are competitors snapping at your heels?

## **Step 4: Draft the Plan**

Now that you have an overview of customers and market conditions, you can flesh out your plan. This plan needn't be a formal document, but should at least consist of a written outline to share with staff or outside consultants and to refer to later. The plan should cover:

- A summary of your market position and goals.
- A definition of what you expect to accomplish in a specific time period (e.g: "We will sell 200 x's by the fourth quarter.")
- A list of target markets, including segmentation and niche areas
- An appropriate strategy for each segment or market.
- Expenses and resources, and how they will be allocated.
- Marketing channels. This is where you choose the types of marketing materials and distribution vehicles that you will use to attract target customers, including flyers, postcards, email marketing, newsletters, Web site and more.
- Competitive strategies. How will you respond to your competitors, for example, if a competitor lowers his price?

### **Step 5: Track Results**

Include benchmarks in your plan. Use these benchmarks to take stock of whether your marketing efforts are paying off or if you should rethink your approach.

Calculate the category and cost of marketing communications and compare with set specific sales forecasts.

For direct mail efforts, check how the campaign is going by creating a spreadsheet in Excel that includes specifics of each order as well as a way to identify customers (like a customer identification number). Also make sure to include plans for implementation or a marketing calendar. Plans are great, but if you don't also designate responsibility, set deadlines and hold people accountable, marketing efforts can't succeed.

Use REACH Campaign Analyzer to track the results of your e-mail Marketing.

Finally, don't rest on your laurels. Markets change all the time and you must be ready. Make sure to review the plan every year to see if you must revisit any goals.