Part 1 – Marketing Components

1. **Marketing** - Marketing is the process for creating, communicating, delivering, and exchanging good and services - transactional event
   
   a. Putting the right product in the right place, at the right price, at the right time.

2. **5 P's of Marketing** - "Marketing mix" is a general phrase used to describe the different kinds of choices organizations have to make in the whole process of bringing a product or service to market
   
   a. **Product** - These are all aspects of your product. The product category can extend to things like the type of warranty you offer, service and installation
      i. What are you selling?
      ii. Are you providing a service?
      iii. How does the product work?
      iv. What does the product look like?
      v. What type of packaging does it have?

   b. **Place** - Where do buyers look for your product or service?
      i. When and where is your product is available
      ii. Are there time limitations due to store hours?
      iii. Are there shipping times associated with the purchase?
      iv. Does the distance from the customer create an obstacle for the purchase?
      v. Is a retail location reselling your product?
      vi. What type of store is it?
      vii. Does the store have a regular customer base?
      viii. Does partnering with the store make sense?

   c. **Price**
      i. How much your customer is willing to pay for whatever product/service your business provides?
      ii. What is the cost to manufacture & distribute.
      iii. What is the value of the product or service to the buyer?
      iv. Are there established price points for products or services in this area?
      v. Is the customer price sensitive? Will a small decrease in price gain you extra market share? Or will a small increase be indiscernible, and so gain you extra profit margin?
      vi. How will your price compare with your competitors?
d. **Promotion** - How will you communicate with your customers
   
i. How will the distributor of your product communicate with their customers about your product?
   
ii. Where and when can you get across your marketing messages to your target market?
   
iii. Will you reach your audience by advertising in the press, or on TV, or radio, or on billboards? By using direct marketing mailshot? Through PR? On the Internet?
   
iv. When is the best time to promote? Is there seasonality in the market? Are there any wider environmental issues that suggest or dictate the timing of your market launch, or the timing of subsequent promotions?
   
v. How do your competitors do their promotions? And how does that influence your choice of promotional activity?

f. **People** - Your level of service, the expertise and skills of the people who work for you; can be used to set you apart from your competitors.
   
i. People who actually deal with the customer during any part of the transaction.
   
ii. Relationships develop, have duration, create loyalty, and create repeat sales.
   
iii. Focus on CRM – Customer Relation Management.
   
iv. CRM focus on delivering value and benefits to customers, not just selling goods and services.

   
i. The process a business should use to understand their customer groups and respond quickly—and at times, instantly—to shifting customer desires.
   
ii. CRM technology allows businesses to collect and manage large amounts of customer data and then carry out strategies based on that information.

h. **Marketing Objective** – Increased Profitability through integrating the Marketing Mix into your Business Plan.
Entrepreneur Workshop Marketing Plan

Part II – Creating the Plan

1. Purpose of the Marketing Plan
   a. It forces you to identify your target market.
   b. It forces you to think about both short and long-term marketing strategies.
   c. It looks at your business as a whole and ties together market objectives.
   d. It allocates limited resources to create the greatest return.
   e. It provides a guide to measure progress and outcome.

2. Mission Statement
   a. Identifies long-run vision of the organization:
   b. Why is the company in business?
   c. What markets do we serve?
   d. What are the main benefits we offer our customers?
   e. “practical and highly affordable business solutions”
   f. What does this company want to be known for?
   g. What is the philosophy for doing business?
   h. What products/services does the company offer?

3. Product/Service – Offered
   a. Identify each service and product specifically. For product, identify in terms of name, trademark, color, shape, and other characteristic, including packaging and labeling.
   b. Differentiate products/services in terms of exclusive processes or superior ingredients and other features.
   c. Describe product lines, and new products/services that will be introduced.
   d. Give cost of each product/service.
   e. Give the price you plan to charge for each product/service.
   f. Identify percent of annual sales and total dollar amount each product/service represents.

4. Conduct Market Research
   a. Market Research Should Answer These Questions
   b. Who are your customers and potential customers?
   c. What kind of people are they?
   d. Where do they live?
   e. Can and will they buy the product you're offering?
   f. Are you offering the kinds of goods they want at the best place, the best time and best amounts?
   g. Are your prices consistent with what the buyers view as a value?
   h. Who are your competitors?
      i. Effective Market Research Sites
         1. Statistical Abstract of the United States
         2. US Census - Governmental Website
         3. Chamber of Commerce Sites/Survey Monkey
14. Develop Marketing Mix
   a. Your marketing campaign should be at least a year in duration, taking into account
      the many seasonal factors that affect customers’ purchasing habits.
   b. You need to find the best medium (social media, newspaper/radio/other) to get the
      message to potential customers.
   c. Plan advertising messages to emphasize the strengths of the products, services, and
      the people of your business to your potential customers.

Part III – Areas for Consideration

1. Areas For Consideration
   a. Your marketing campaign should be at least a year in duration, taking into account
      the many seasonal factors that affect customers’ purchasing habits.
   b. You need to find the best medium (social media, newspaper/radio/other) to get
      the message to potential customers.
   c. Plan advertising messages to emphasize the strengths of the products, services,
      and the people of your business to your potential customers.

2. The Business Name
   a. Choosing a name is an extremely important marketing decision.
   b. Catchy names may seem clever, but they often tell nothing about the service or
      product of the business. The business name is a primary marketing tool and
      should contain a clear message of the product or service provided.
   c. Trademarks and logos also are marketing tools and serve as cues or reminders to
      customers

3. The Business Image - First Impressions
   a. Image is of utmost importance in their decision to purchase products or services
      from you.
   b. Color, scheme, logo, or trademark should appear on all stationery, advertisements,
      signage, and any other promotional efforts.
   c. Includes internet and website marketing efforts. You must be consistent in all
      your promotion and advertising materials to strengthen your image relative to
      your competitors.

4. Customer Service
   a. Customer service is a part of the customer’s total concept of your business and
      product/service.
   b. While it is not visible, it is part of your image. Customers expect friendly, prompt,
      courteous service.
   c. Good customer service may be the most critical aspect of any marketing campaign.
   d. Satisfied customers return and bring their friends and acquaintances with them.
5. Location
   a. Promotion of a business through exposure and the word of mouth it receives
      from pedestrian passers-by and auto traffic count is a basic element of your
      marketing strategy.
   b. High exposure location - Marketing effort should be used to create customer
      demand, which increases revenues and produces the profits needed for business
      growth.
   c. Marketing from a home computer on the internet may take the place of all
      person-to-person contact with the customer.
   d. In this case, the ease and speed of distribution would become the primary factor
      in Marketing.

6. Production
   a. It is important to determine the level of production necessary to meet sales
      forecasts.
   b. These plans will impact on your capital needs, equipment expenditures, personnel
      needs, and other business demands

7. Summary - Marketing Plan Outline
   a. The marketing plan must be used – consider it a living document.
   b. Frequent evaluation
   c. Revise as necessary
MARKETING PLAN TEMPLATE

I. MARKETING PLAN – Insert Business Name
   1. Purpose of the Marketing Plan
   2. Mission Statement
   3. Product/Services Definition
      Describe the product or service being marketed.

II. COMPETITIVE LANDSCAPE – MARKET RESEARCH

III. PROVIDE AN OVERVIEW OF PRODUCT COMPETITORS.
   Competitor A
   • Competitors’ strengths
   • Competitors’ weaknesses
   Competitor B
   • Competitors’ strengths
   • Competitors’ weaknesses

IV. PRODUCT COMPARISON AND POSITIONING
   Positioning of Product or Service
   Distinctly define the product in its market and against its competition over time.
   Position each competitor’s product against the new product.
   Consumer Promise
   Summarize the benefit(s) of the product or service to the consumer.

V. MARKET RESEARCH
   Targeted Consumer Demographics
   List the demographic, buying habits, psychographics, geography for the targeted consumer groups.
VI. **PRICING AND POLICIES**

**Pricing**
- Summarize specific pricing or pricing strategies, and compare to similar products.

**Policies**
- Summarize policies relevant to understanding key pricing issues.

VII. **DISTRIBUTION**

**Distribution Strategy**
- Summarize the strategy for distribution.

**Channels of Distribution**
- Summarize the channels of distribution.

VIII. **PACKAGING AND FULFILLMENT**

**Product Packaging**

Discuss:
- Form-factor, pricing, look, and strategy.
- Fulfillment issues for items not shipped directly with the product.

IX. **SALES OBJECTIVES**

- Profit margins
- Revenue targets

X. **SALES FORECASTING**

- Review sales history of competitors through secondary research.
- Show recent sales trends in industry.
- Make any seasonal adjustments.
- Project sales and income for next four quarters.
XI. PROMOTIONAL MIX STRATEGY AND EXECUTION

Discuss:

- PR strategies.
- PR plan highlights.
- Backup PR plan, including speaking engagements, conference schedules, etc.

XII. ACTION PLAN - ADVERTISING STRATEGY AND EXECUTION

- List all marketing strategies/activities.
- Prioritize all strategies by levels of importance.

XIII. PRODUCT/SERVICE LAUNCH STRATEGIES

Discuss Launch Plan – When is the product/service entering the marketplace?

Promotional Schedule -

Promotion Budget – Based on Cost of Goods Produced – Profit margin – What are you allocating to the Marketing Budget?

XIV. EVALUATION METHODS

List:

- First year goals.
- Additional year goals.
- Requirements for success.
- Measures of success/failure. – How can you identify success?

XV. SCHEDULE

12-Month Schedule Highlights

Outline highlights of the first 12 months.

Timing

Identify timing dependencies critical to success.