



Hands on Business Planning

Session 4

Marketing Plan



The Business Plan..

<p>(1) Executive Summary</p> <ul style="list-style-type: none"> • Compelling • Clear • Concise • Last Section Completed • Limit To One Page 	<p>(2) Description of Company</p> <ul style="list-style-type: none"> • Name • Mission Statement • Vision • Intentions 	<p>(3) Description of Product or Service</p> <ul style="list-style-type: none"> • Describe In Detail • Unique Attributes • Rules and Regulations 	<p>(4) Your Market</p> <ul style="list-style-type: none"> • Industry • Customer Base • Competition • Price • Distribution
<p>(5) Marketing Plan</p> <ul style="list-style-type: none"> • SWOT Analysis • Product Positioning • Forecasts • Marketing Budget 	<p>(6) Operations Plan</p> <ul style="list-style-type: none"> • Business Location • Type of Facility / Equipment • Type and Qty of Staff • Inventory 	<p>(7) Management Team</p> <ul style="list-style-type: none"> • Who • Qualifications & Experience • Roles & Responsibilities 	<p>(8) Financials</p> <ul style="list-style-type: none"> • Income Statement • Cash-Flow Projections • Balance Sheet • Assumptions • Historical Records • Plan/Use of Financial Assistance



Questions...

<p>What does SWOT stand for? Why should you conduct a SWOT analysis?</p> <p>Strengths Weaknesses Opportunities Threats</p>	<p>What are the 5 P's of Product Positioning?</p> <p>Product Price Promotion Placement People</p>	<p>What is a Unique Selling Proposition? Do you have one?</p> <p>How does your product or service benefit the customer different from the competition?</p>
<p>What elements go into setting the price for a product or service?</p> <ul style="list-style-type: none"> Fixed expenses (rent, interest, insurance, etc.) Variable expenses (materials, labor, shipping, etc.) Competitive prices Industry margins 	<p>What is the difference btw a weather forecast and a marketing forecast?</p> <p>A weather forecast is projecting the future climate</p> <p>A marketing forecast projects the numbers and characteristics of your target market, specifically your potential customers</p>	<p>Do you have a marketing budget? If not, why?</p> <p>If you don't have a marketing budget, how do you plan to grow your businesses?</p>



Why have a Marketing Plan?

- Road map that provides direction toward reaching your business objectives
- Marketing is as important as the product or service itself
- Without a marketing plan, customers can't find you, and therefore can't buy from you
- It should:
 - a) Clarify who your customers are
 - b) Craft your business's message to generate results
 - c) Provide your business a course of action to obtain customers



SWOT Analysis

A tool that helps you identify strengths and weaknesses, as well as any opportunities and threats into quadrants

- Take advantage and capitalize on your strengths
- Pursue opportunities
- Manage, reduce, eliminate and/or prevent weaknesses and threats





SWOT Analysis cont....

Strengths - gets you to your goal (ask yourself)

- What does ____ solve?
 - Fixes, fills, opens, prevents, adds, eliminates, expands, creates, etc.
- What makes ____ unique or special?
 - New, improved, authentic, hard to find, exact, etc.
- How is/are ____ better than the competition?
 - Faster, guarantee, support, price, delivery, quality, longevity, etc.



SWOT Analysis cont....

Weaknesses – could prevent you from your goal (ask yourself)

- What area does ____ need to improve?
 - Defects, returns, customer service, material costs, etc.
- What resources does ____ lack?
 - Time, capital, location, space, labor, equipment, leadership, skills, etc.
- What part of ____ is not profitable or competitive?
 - Obsolete, marginalized, expensive, time consuming, etc.



SWOT Analysis cont....

Opportunities – outside conditions to get you to your goal
(ask yourself)

- What else could ____ easily solve?
 - Unmet needs, multi-purpose, discovery, realization, etc. (ex. zip ties, baby wipes)
- Technology and/or industry impacts to ____?
 - Competitive consolidation, new system, etc.
- Other target markets for ____?
 - Changes in life-stage (millennials needing insurance), new sport becoming popular, fast growing area, new business complex, expanded highway, etc.



Compiling the SWOT

Make connections between each quadrant of your analysis by combining information from two quadrants to create actionable strategies.

- Strengths w/ Opportunities - Use your internal strengths to take advantage of opportunities.
- Strengths w/ Threats - Use your strengths to minimize threats.
- Weaknesses w/ Opportunities - Mitigate weaknesses by taking advantage of opportunities.
- Weaknesses w/ Threats - Work to eliminate weaknesses to avoid threats.



Compiling the SWOT

Make connections between each quadrant of your analysis by combining information from two quadrants to create actionable strategies.

	Opportunities (external, positive)	Threats (external, negative)
Strengths (internal, positive)	Strength-Opportunity strategies Which of the company's strengths can be used to maximize the opportunities you identified?	Strength-Threats strategies How can you use the company's strengths to minimize the threats you identified?
Weaknesses (internal, negative)	Weakness-Opportunity strategies What action(s) can you take to minimize the company's weaknesses using the opportunities you identified?	Weakness-Threats strategies How can you minimize the company's weaknesses to avoid the threats you identified?

Using the SWOT Results

More insightful look at your business with a list of things to pursue and implement.

Results should come in the form of:

- Improved/renewed focus – everyone on the same page, excitement, energy
- Conversation starters – unique selling propositions, interest creating remarks
- Identifying unknown aspects – discovered strengths, hidden threats, new opportunities
- Strategies for success – ways to grow and/or improve your business



Product Positioning – P #1

Product (Unique Selling Proposition aka USP)

- Description of the physical attributes of your offer, what they do and what benefits they provide. This is where you determine the Unique Selling Proposition (USP).
- The USP is short statement that identifies all the great things about ____ and compels the customer to choose it over others.
 1. *Customer benefit – how will it help them*
 2. *Uniqueness – what makes it different from the competition*

You get fresh, hot pizza delivered to your door in 30 minutes or less or it's free

The milk chocolate melts in your mouth, not in your hand



Product Positioning – P #3

Place (Placement or Distribution)

Where customers find and receive ____.

1. Sales - Promotional material, literature, collateral, sales channels, etc.
2. Order processing / fulfillment - How orders are fulfilled, manufactured, outsourced, etc.
3. Distribution - Where it's available, how it's purchased, how it's delivered



Product Positioning – P #4

Promotion

How you will communicate the features and benefits ____..

1. Identify where your target market is
 2. Enticing them to purchase your product or service
- Advertising – print, internet, radio, television, mail
 - Sales – sales channels, in person, internet, shelf, etc.
 - Partnerships – value added reseller, strategic partner
 - Offers - Programs and/or packages (discounts, etc.)



Product Positioning – P #5

People (recent addition to the marketing mix)

Who will be providing ____? What kind of service, training, skills, etc. are needed?

- In many cases PEOPLE can make or break a business, regardless of the product or service.
- Today more than ever, consumers have a choice about who they do business with, and they prefer businesses (PEOPLE) that know their stuff, are willing to help, and are responsive.
- ‘PEOPLE’ attributes – trust, rapport, polite, professional and responsive



Marketing Budget

A clear overview of all the costs associated with carrying out your marketing activities, including advertising, online content, branding, public relations and more

The U.S. Small Business Administration recommends spending 7 to 8 percent of your gross revenue for marketing and advertising if you're doing less than \$5 million a year

- You should be spending \$7 to \$8,000 for every \$100,000 in gross revenue
- This amount can go a long way as long as your measure and evaluate the return!



Marketing Budget

Marketing ROI

- A way of measuring the return on investment from the amount a company spends on marketing.
- The higher the cost of the marketing tactic (ad, promotion, commission, bonus); the greater the number of sales is needed
- Determining those marketing tactics that generate the highest ROI is key



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Next Session

Operations Plan & Management Team



6 Sessions...

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