

How to Write an Effective Marketing Plan

Written by: Women's Enterprise Centre

This document covers:

- MARKET RESEARCH
- TARGET MARKET SEGMENTATION
- CREATING THE MARKETING STRATEGY
- CREATING THE MARKETING PLAN
 - Objectives
 - Market Positioning
 - Market Share
 - Marketing Mix
 - Product
 - Pricing
 - Placement
 - Promotions
 - People
 - Processes
 - Sales Goals & Targets
 - Sales Projections
 - Sales Strategies

A good marketing plan is an invaluable tool for any business owner, whether you are just starting your new enterprise, expanding or changing strategic direction. It provides you, the entrepreneur, with a clear “roadmap” to follow to best reach your target customer and encourage them to purchase from you.

1. MARKET RESEARCH

The first phase of preparing an effective Marketing Plan is to do your research. The research helps you to determine where your products and services ‘fit’ into the market. Market Research is an important factor in ensuring a business succeeds, and is an ongoing activity throughout the life of your business.

For a comprehensive overview of what Market Research is, what it can do for you and how to do it, read [What is Market Research & What Can it Do For You](#) available for free from our online resource library.

2. TARGET MARKET SEGMENTATION

It is imperative that you tailor your marketing and sales efforts to specifically reach that segment of the market population that will most likely buy your product or service. This is known as segmenting the market. Defining your target market segment(s) and defining a 'typical' customer profile will help you to keep that customer in mind in all of your marketing efforts. For a comprehensive overview of target marketing read [How to... Identify a Target Market and Prepare a Customer Profile](#) available for free from our online library.

3. CREATING THE MARKETING STRATEGY

As you gather data and information through research, you will be analysing how that information relates to your products/services. The analysis is the thinking part which helps you to make the decisions for the implementation of your strategy – the actual Plan. As you conduct your research, think “so what”: how does the information you discover impact how and why your customers purchase, and how your business delivers, your products and services. This “so what” thinking will help you to make the decisions that form the Marketing Plan.

4. CREATING THE MARKETING PLAN

The following is an outline of a basic marketing plan for a small business, but due to the varying nature of businesses, it may not be comprehensive. Not every point will necessarily pertain to your business, and some businesses will require more specific categories. If you require more information about preparing your marketing plan, please call Women's Enterprise Centre.

A. OBJECTIVES

The Marketing Plan begins with a description of your objectives. What is it that you are trying to achieve within the market, through your marketing plan? Your objectives should include both how you want your business (and products and services) to be perceived within the market (Positioning), and how much of the market you want to attract as customers (Market Share).

Market Positioning

Your Positioning Strategy is reflected as your brand: the position you wish to hold in the mind of your customers and your competitors. Will you be 'first to market' with a brand new product? Are you hoping to fill a gap in the market with a low cost, or premium substitute for a similar product?

While you will want to work hard in all areas, every business should attempt to be very, very, good at one strategy which your business will then become known for. The three strategy categories are:

- Product or service leadership (cutting edge offerings)
- Customer service (setting the industry benchmark for responsive service)
- Operations excellence a.k.a. low-cost strategy (think big box stores; cost efficiency)

Some of the things to think about include:

- Will your offering be a luxury or a necessity item? Do you offer a unique speciality or do customers purchase your wares as an impulse buy?
- How are you different from your competitors? What is your unique selling proposition (USP)? A USP describes your business' unique attributes that differentiate it from similar products or services in the marketplace. It should clearly state its essential benefit to the customer as a definitive niche in which your business delivers beyond industry standard.
- What are the features of your offerings, and what are the benefits of those features your customers can expect to receive?
- What statements, tag lines, mottos, logo best present the brand you wish to present?

Market Share

If you consider the total available market available to your business for your product or service, how big of a piece of that market do you think you can acquire? How long will it take to achieve that? Will you be creating a new demand, or will you be attracting customers away from your competitors? How many units of sale (product or hours of service) does that market share equate to? How long will it take to achieve, or, what portion could you realistically achieve in the short-term (one to three years)?

B. MARKETING MIX

The marketing mix includes the infamous 6 P's of marketing.

Product

Product refers to the Physical Evidence of your product or service offering: every tangible part of your product that leaves an impression with your customers. This includes everything down to the packaging, labels, boxes and envelopes. Don't forget to think about the impression left with your customer while engaging with your business, from the parking lot to the reception, meeting or treatment rooms. What do they see, smell, touch, or hear? Consider the customers' whole experience.

Pricing

Describe your pricing strategy and how you arrived at it, including your pricing relative to your costs. How do your prices compare to those of your competition? Your pricing strategy should correlate to your overall market-positioning strategy (think low cost or premium). For more

information on finding the right price for your product or service, check out our other free articles in the [Marketing](#) category.

Placement

Placement is where your customers will find your product/service to purchase, and in the case of a service business, where your service will be delivered/conducted.

For a physical product, or a retail placement, you may have the need for a distribution strategy. This will include all aspects of how your product is routed from your business to your customer. Be sure to identify all intermediaries in your distribution network, including wholesalers.

Promotions (there are 6 types of promotion too!)

Your promotional strategy should be based on what you learned about your target market's communication style i.e. how they are most likely to receive your communications. Use those mediums and communicate with them in a way where they will clearly receive your intended positioning strategy (described below).

Your promotions strategy should include a detailed description of the types of promotion you will use to reach your target market – any combination of the 6 types of promotion as relevant to your target market segments:

- **Direct Marketing** (includes Social Media, search engine positioning, Trade Shows)
- **Personal Sales** (networking and face-to-face sales)
- **Advertising** (print & media, includes web site)
- **Public Relations** (anything that gets PR; i.e., Outcomes/results from events or press releases)
- **Sales Promotions** (loyalty cards, coupons, bundling)
- **Trade Promotions** (discounts to channel partners, distributors)

Your promotions plan should include a timeline and associated cost for each major type of promotion as well as an annual budget. Hint: these should be the same as what you have recorded in your Cash Flow forecast section of the business plan! Also, describe how you will measure the effectiveness of your promotional efforts.

People (*especially for service businesses)

Not to be confused with the Human Resource planning section of your Business Plan, in the Marketing Mix “people” refers to how your brand is presented to your market through the people that your customers interact with.

Processes (*especially for service businesses)

The process that directly impacts your customers will impact your brand. If your positioning strategy includes speed and efficiency, then you don't want customers to experience long lines at the checkout or inefficient e-commerce solutions.

C. SALES GOALS & TARGETS

Sales Projections

Your sales projections should be congruent with your market share objectives. This is where your 6 P's (marketing mix) plan comes to life! Based on your forecasted results of your promotions plans, and considering your production (or service) capacity, what are your sales goals (in units) per day/month/year? Include any anticipated seasonality in sales.

These numbers should correlate with your Cash Flow forecasts and pro-forma financial statements.

Sales Strategies

This is the implementation plan for how sales will be conducted. Things to include are:

- Who will be primarily responsible for sales?
- What resources will be allocated to sales in terms of both time and funds?
- What are your services policies, guarantees, warranties, etc.?
- What are your credit and collection policies?
- Explain how you will determine customer satisfaction.

STILL HAVE QUESTIONS? CONNECT WITH US!

Women's Enterprise Centre is a non-profit organization devoted to helping BC women start, lead and grow their own business. If you own a business, or are thinking of starting one, connect with us for business loans up to \$150K, skills training, personalized business advice, mentoring, practical resources and a supportive community to help you realize your business potential.