



# Marketing Action Plan for Strategic Success

## Creating Your Marketing Roadmap

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# Introduction

In order for you to know where your business needs to go, you need a roadmap. That's why you create a business plan. The same goes for every aspect of your business, including marketing. In fact, having a clear and thorough marketing plan is essential if you want to maximize your marketing efforts and make the most of your precious resources.

Your business's marketing plan is part of your overall business plan. But while the business plan covers every aspect of your business, your marketing plan deals with only marketing.

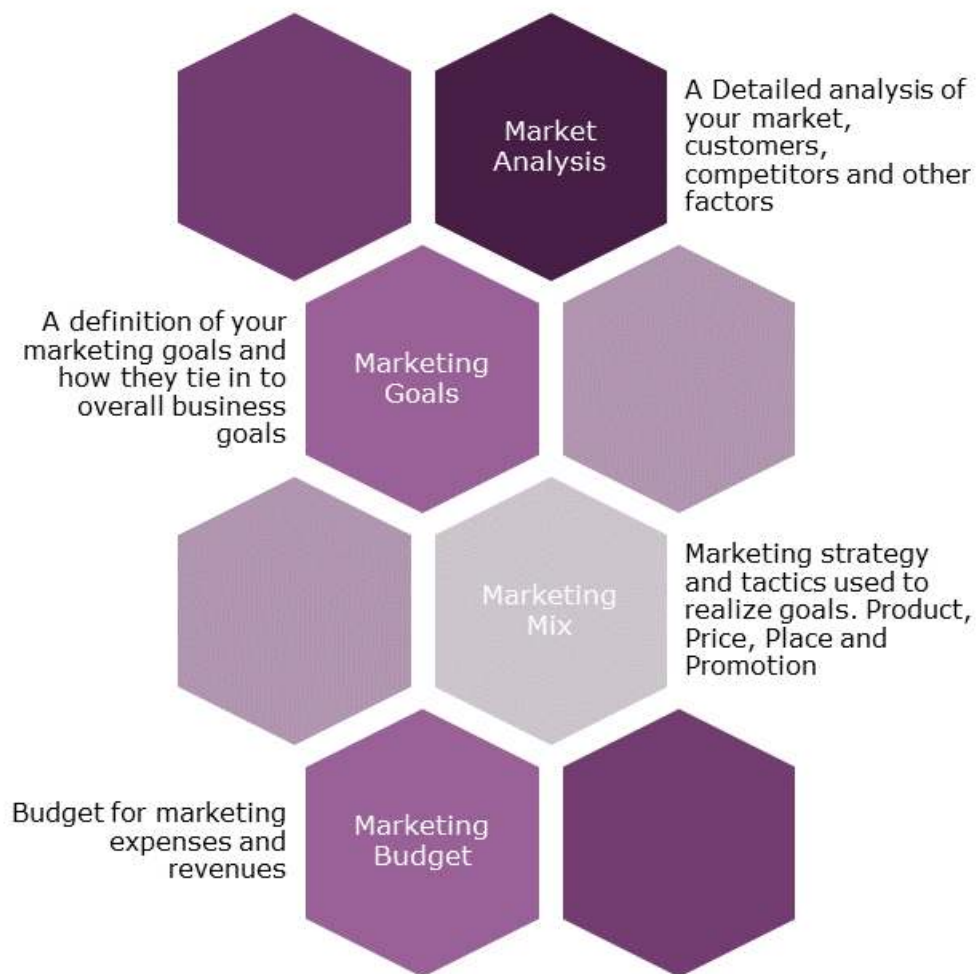
Your marketing plan includes everything from analyses of your market, your business, and your products, to marketing goals and the strategies that will help you reach those goals.

The key elements of a marketing plan are:

- **Market Analysis** – This is a detailed analysis of your market, your customers, your competitors, and other factors.
- **Marketing Goals** – A definition of your marketing goals and how they tie in to your overall business goals.
- **Marketing Mix** – Your marketing strategy and the tactics you will use to realize your goals in terms of the 4 P's: Product, Price, Place, and Promotion.
- **Marketing Budget** – A budget for your marketing expenses and revenues.

# Key Elements of a Marketing Plan

## Key Elements of a Marketing Plan



In this course, you will:

- Learn the benefits of creating a marketing plan for your business
- Conduct the initial market research that will be included in your marketing plan
- Create a company overview that briefly describes what your business is about
- Conduct an analysis of your company's current position in the market
- Define your key marketing goals and make sure they are in line with your business goals
- Decide how you will track whether you are meeting your goals
- Gain an understanding of the 4 P's of a marketing mix
- Identify your own marketing mix and what resources you need in order to implement it
- Draft a prospective marketing budget
- Identify your marketing initiatives and calendar for the next year
- Determine the key tasks you'll need to do to implement your plan
- Identify any next steps needed to complete your marketing plan

By the end of the course, you'll have everything you need to complete your marketing plan and start putting it into action.

# Why Do You Need a Marketing Plan?

There are many benefits to creating and maintaining a working marketing plan. Once you have one, you'll wonder how you ever got along without it. Here are a few of the reasons a good marketing plan is so essential.

## Achieving Your Business Goals

A good marketing plan helps you better achieve your business goals. It puts all of the parts together so that you can implement your plan more easily. It ensures that your efforts will be as rewarding as possible and your money spent in the best way possible. A marketing plan puts together and presents all of the important data you need to make decisions regarding your business's marketing, which is the core of any business's success.

## Keeping Up with Changes

If you have a good marketing plan in place, it's easy to alter your marketing strategy and tactics when required. Every market and industry changes, and you may have to tweak your strategy in order to keep up with these changes.

With a solid marketing plan, you can more easily evaluate new opportunities that emerge. A marketing plan allows you to shift your strategy accordingly and stay on track toward your business goals.

## A Rallying Point for Your Business

Like your business plan, a marketing plan keeps everyone on the same page. New employees can use the marketing plan to take in your strategy at a glance. The same goes for new business partners and investors. You can easily see where you've been, where you are now and where you're going.

Your marketing plan also offers a rallying point for those involved, including your employees and investors. A good map inspires the crew of your ship and gives them faith in their captain. They can easily understand what you're trying to achieve and how you're trying to achieve it.

## Opportunities for Reflection

When you get the marketing ideas inside your head onto paper, you have a chance to see them with a fresh perspective. With everything clearly spelled out, you may notice gaps or weaknesses in your plan that you hadn't noticed before.

Your marketing plan gives you a view of the big picture, and thus more control over your business's marketing. It's absolutely essential for any type of business, whether large or small. So, let's get started writing your marketing plan.

### **Activity:**

Start your Marketing Plan by using the worksheet provided to list your long term and short term business goals.

If you don't already have business goals, think of them in terms of revenue, costs, operations, and overall business growth. You'll be identifying the marketing strategy you want to use as part of achieving those goals a little later in this course.



# Market Research

**M**arket research is an important part of your marketing plan. You need to conduct research because in marketing, you can't afford to make assumptions. You have to rely on hard, objective data about customers. Sometimes the data revealed through research is surprising for businesses that think they understand their customer base well.

## Primary Research

There are two types of market research – primary and secondary. Primary research is research where you gather the data yourself. What makes it primary is that you are the one who uncovered it. Primary research may include questionnaires, interviews, surveys, or focus groups where you go straight to your customers for their feedback.

### Some ways to gather primary research include:

- Asking customers what they think about your products. Would they buy it? How much would they pay for it? You don't have to ask only customers. You can also ask friends, family, or acquaintances for their input.
- Visiting businesses that are similar to yours and picking their brains. Depending on your industry and the market environment, some may be quite helpful in giving a new business some direction.
- Conducting a survey of people in your market either at a relevant offline location or online. 'Relevant' means a place relevant to your business such as a sports club if your business sells sporting goods.
- Contacting organizations in your industry and speaking to representatives from these organizations.



## Secondary Research

Secondary research is where you analyze data that has already been published. There are many ways to conduct secondary research using the wealth of information online.

### Secondary research includes:

- Keyword research – looking at search volume and demographics for certain keywords related to your products
- Researching competitors, which includes looking at their sites, their products, their marketing efforts online, and their reputation
- Reading blogs and websites to better understand your market or industry
- Case studies about your target market researched and published by someone else
- Joining social media groups and listening to conversations among your target market
- Looking at reviews on websites like Yelp or Amazon

It's best to conduct both primary and secondary research. Primary research is more labor-intensive for you, but it yields direct feedback that's very useful. Secondary research is easy but not quite as fruitful. However, you can glean important insights through secondary research because the subjects aren't on the spot. They're more likely to be freely discussing their opinions. It's also easier to get 'big picture' data through secondary research.

## What to Look for in Your Research

You should look for data related to your customers, competition, and environment. Pay attention to your customers' buying habits and their feelings about what they buy. Focus on the problems they want to solve through their purchases and what deciding factors push them to buy. Find out where and how they like to make purchases.

Study your competition to find out what products and services they offer, and what makes these offerings unique. How and where do they reach out to their customers? Try to learn about their sales figures and in what areas they're having success or not having success. Pay attention to their reputations and how their customers feel about them.

Finally, your research should include the industry and environment in which your company exists. Look for trends in the industry that could affect your sales or reputation. Look for the top selling items and services in your industry and how their sales vary over time. Don't forget to also look at technological changes and how these might affect your market.

### **Activity:**

1. What information do you already have about your customers, competition, and environment?
2. Conduct primary and secondary research using at least one of the methods mentioned to complete gaps in your current understanding of your market.
3. Use the Market Research Summary worksheet to keep track of the research that you gather on each of the key areas – customers, competition and environment.

# Describe Your Company

Part of your marketing plan is a description of your company. This should include your target market, products and services, unique value proposition, and your mission or vision.

## Target Market

Your company's target market consists of the people who will benefit the most from your products or services. This is your ideal customer. It's not someone you hope you'll be able to sell to, but a person who is a good match for what you're offering. If you can clearly identify this person, you know exactly who you need to get your message to, and this maximizes the effectiveness of your marketing efforts.

To define your target market, create a profile for an individual who would be the perfect match for your products or services. This profile should include basic demographic information such as age, gender, location, socioeconomic status, lifestyle, family structure, etc. It should also include psychographic information that includes your target market's worries, fears, problems, values, likes and dislikes, shopping habits, worldview, etc.

Here are some simple questions you can ask to get started identifying your target market:

- Who are they?
- Where are they?
- What do they need?
- What problems do they face?

- What do they buy?
- Where do they buy it?
- How often do they buy it?
- How do they make their buying decisions?
- What is the best way to reach them with your marketing message?

In creating this profile, be as specific as possible. Your company shouldn't and can't be all things to all people. You're looking for the perfect match. If you have more than one ideal customer, make a profile to define each unique segment of your market. For example, your offerings may be of value to people in two very different demographics. If this is the case, split your target market.

## Products and Services

What exactly are you offering your target market and what problem does it solve? Identify the specific features and benefits that make it valuable and helpful for your target market. Explain how your products or services are different from similar offerings in the market.

Think of your product or service as a brand. Rather than looking at the nuts and bolts of the product, focus on the benefits it offers your customers and how they perceive it. Describe the image of the product in the minds of your customers.

## Unique Value Proposition

Every business should have a unique value proposition (UVP). This is a statement that says clearly, thoroughly, and concisely what value you offer and how it's different from the products of others. Your UVP shouldn't say that you're the best at something, but that you're the only company in the market who does it in this particular way. The UVP explains why your offering is the only one that makes

sense for your customers.

Writing a unique value proposition is no easy task. It takes quite a bit of refining until you get it right. Start by brainstorming and answer these questions:

- What is unique about your offering?
- What specific problem does your offering solve and how?
- What are the key benefits of your offering that no one else gives?

Your company doesn't have to be the first one to ever offer a particular product or service. Instead, your product may be unique because it combines two ideas or presents an old idea in a new way. It may be unique because it's the only product of its type aimed at a particular segment of the market. Brainstorm to reveal the uniqueness of what you offer.

## Mission and Vision

The statements of your company's mission and vision explain why your business exists and what it does. They explain your business's purpose. This is the framework from which your marketing strategies are formulated.

People often mix up the two terms – mission and vision. However, what you need to know is that a short 'vision statement' is usually one sentence, or even just a few words, that tell the high level view of who you are. Your mission statement can be a tiny bit longer, preferably just a few sentences at most. It can give a little more information about your company's purpose. You'll have plenty of opportunities to explain in more detail what your business does in other parts of your marketing plan.

Your mission/vision statement should explain who you provide value to, how you provide this value, and, like your UVP, what makes you unique. It's less specific

and comprehensive than your UVP and more about the image of your company.

There are four key elements to a good mission or vision statement:

- **It's specific.** Avoid language that is vague or that doesn't tell the customer anything. If it could apply to any company in the world, or even any company in your industry, it's not good enough.
- **It's concise.** There should be no fluff. Every word in your mission statement should mean something. Your statement doesn't have to be short necessarily, but every word should count.
- **It's clear.** No matter how clever or artistic your idea may be, it needs to be clear and easy to understand for the customer. It's better to be obvious than obscure.
- **It's exciting.** This is difficult to pinpoint exactly, but a good mission statement gets the reader excited. Try telling a story, inspiring emotions, and sparking interest with your statement. Ask others to read it in order to get their objective opinion.

## Here are a few examples of good mission and vision statements:

**Google** – "To organize the world's information and make it universally acceptable and useful."

**McDonalds** – "To provide the fast food customer with food prepared in the same high-quality manner worldwide that is tasty, reasonably-priced & delivered."

**Amazon** – "Our vision is to be Earth's most customer centric company; to build a place where people can come to find and discover anything they might want to buy online."

**Nike** - "To bring inspiration and innovation to every athlete in the world."

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**Starbucks** – "Our mission: to inspire and nurture the human spirit one person, one cup, and one neighborhood at a time."

**Aflac** – "To combine aggressive strategic marketing with quality products and services at competitive prices to provide the best insurance value for consumers."

**Denny's** – "Our Mission at Denny's is to establish beneficial business relationships with diverse suppliers who share our commitment to customer service, quality and competitive pricing."

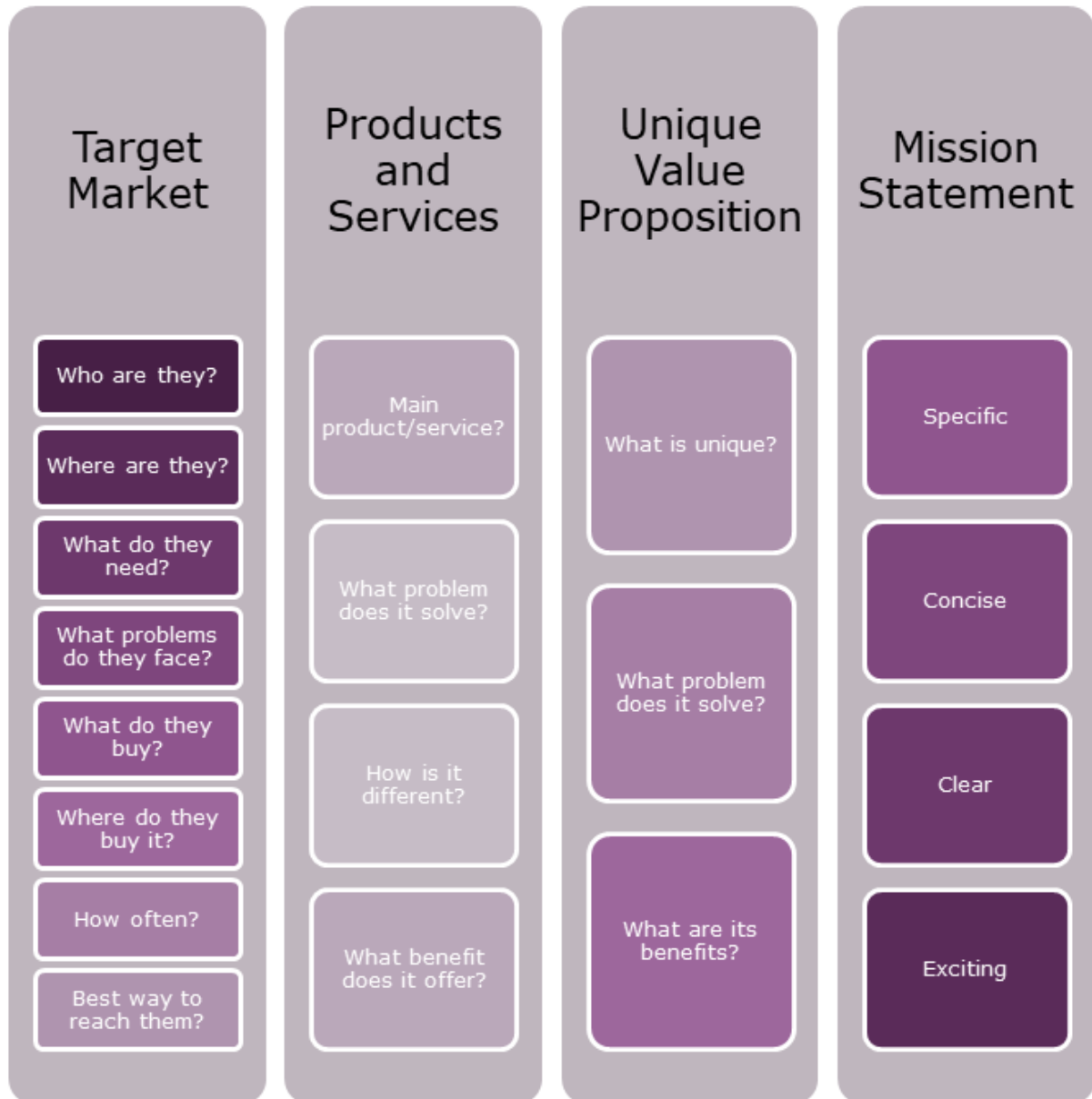
**Activity:**

Using the Company Description worksheet, start filling out the details discussed in this section.

Brainstorm and complete each section carefully... but remember you can return later on if you come across anything you'd like to add.



# Company Description



## Mission Statement Examples

Google

•"To organize the world's information and make it universally acceptable and useful."

McDonalds

•"To provide the fast food customer food prepared in the same high-quality manner worldwide that is tasty, reasonably-priced & delivered."

Amazon

•"Our vision is to be Earth's most customer centric company; to build a place where people can come to find and discover anything they might want to buy online."

Nike

•"To bring inspiration and innovation to every athlete in the world."

Starbucks

•"Our mission: to inspire and nurture the human spirit one person, one cup, and one neighborhood at a time."

Aflac

•"To combine aggressive strategic marketing with quality products and services at competitive prices to provide the best insurance value for consumers."

Dennys

•"Our Mission at Denny's is to establish beneficial business relationships with diverse suppliers who share our commitment to customer service, quality and competitive pricing."

# Assessing Your Business

Your marketing plan should include an assessment of your business. A good way to do this is through SWOT analysis. SWOT creates an analysis of your business in terms of four factors – Strengths, Weaknesses, Opportunities, and Threats.

Conducting a SWOT analysis is a simple step that serves as an important part of your business's foundation. SWOT analyses are simple but comprehensive and this is why they're commonly included in marketing plans.

A SWOT analysis is a 2 x 2 matrix. Strengths are listed in the upper left quadrant. Weaknesses are in the top right. Opportunities are listed in the bottom left and Threats are in the bottom right.

The left-hand column has factors that are helpful in reaching your business goals (Strengths and Opportunities). The right-hand lists factors that are potentially harmful (Weaknesses and Threats).

The top two quadrants include internal factors (Strengths and Weaknesses) and the bottom two quadrants include external factors (Opportunities and Threats).

## Strengths

Your strengths are your business's strongest qualities. These are both tangible and intangible positive attributes. A good way to brainstorm strengths is to look for areas where you excel over your competitors.

## Examples of Strengths include:

- Keen understanding of niche / Special research resources
- Highly recognizable brand with strong following
- Staff who are committed to the company's vision
- Low production cost for products
- High traffic location
- Good distribution network in place
- Years of experience
- Reputation for innovation
- Fast and efficient product development processes

## Weaknesses

These are qualities that are under your control but stand in the way of achieving your goals or gaining a competitive advantage. Try to make an honest assessment and don't let pride get in your way. Identifying these areas of weakness is the first step in improving them.

## Weaknesses include things such as:

- Lack of relevant experience
- Limited resources
- Lack of access to new technology
- Current production or distribution methods are costly
- Small workforce or staff resources already stretched
- Gaps in capabilities
- High operating costs
- Lack of partners or outside help
- Poor leadership or morale within the company
- Disorganization or record-keeping problems

## Opportunities

These are external factors that keep your business running or could potentially help it grow. This is the exciting part of your SWOT analysis because it shows you areas where you can profit more.

### Examples of opportunities include:

- Market trends that are in your company's favor
- Changes in society that could make your offer more attractive
- New emerging technologies
- Growth in key segments of the market
- Vulnerabilities of competitors which give you a chance to shine
- Similar products on the market have clear disadvantages to yours
- Your products or services may improve local economy, community, or environment
- Potential partnerships that could prove lucrative
- Rising or changing customer demand for your product
- Product or campaign's potential to boost your company's image
- Seasonal influences
- New marketing channels you can use to reach your audience

## Threats

Threats are external factors just like Opportunities, but they pose a risk or could potentially hurt the future of your business. Although negative, Threats should excite you as well because they indicate a clear direction to go. They show you how you can immediately improve your circumstances and gain an advantage.

## Threats can include:

- Activities of your competitors such as increased sales or exposure
- Unstable prices in the current market
- New regulations that affect your products
- General economic downturn
- Changes in customer tastes or behavior
- Bad press for your industry
- Political instability or world events that could affect your business
- Environmental problems
- Similar products that are popular
- Time delays due to outside factors
- New technologies that could negatively impact your sales
- Bad employment market
- Competitors moving in on your space or your market

It's difficult to see these Threats as anything but bad, but try to think of them as challenges. If you consider them this way, each Threat can guide you in a new and more lucrative direction.

For both Opportunities and Threats, you're looking for potentialities. These are not necessarily things that are happening now nor things predicted to happen, but they're possible in the future.

### **Activity:**

Using the worksheet, complete a SWOT analysis of your company and its market.

# SWOT Analysis





# Establish Marketing Goals

Your marketing plan should include clear marketing goals. These are not the same as your business goals. Business goals are specific milestones you hope to achieve with your business. They discuss your business as a whole and cover things like overall revenue targets, number of customers, and where that revenue will come from.

Your marketing goals are a subset of your business goals. They outline specific goals you need to achieve on the marketing side of your business in order to reach your overall business goals.

Marketing goals should follow the SMART criteria that we use for business goals. SMART means that your goals follow these standards:

## S - Specific

Every goal needs to be clear and simply stated. If goals are vague, there is no way to know whether you've achieved them or not. A good way to make goals specific is to make sure they answer the six 'wh questions':

What do I want to accomplish?

Why do I want to accomplish it?

Who is involved in its attainment?

Where will this happen?

When will this happen?

Which requirements will be involved in the process?

Of course, you don't need to cram an answer to each of these six questions into the simple statement of your objective, but include all that apply. The objective

should be stated in one sentence that anyone with any familiarity with your industry can understand.

## M – Measurable

You need a way to measure each goal so that you'll know when it has been reached. Like the Specific criteria, you can refine this by asking 'how' questions such as 'how much,' 'how many,' and 'how will I know when it is accomplished.' Include targets and milestones that you can clearly reach and focus on objective indicators like quantity, time, flexibility, efficiency, etc.

## A – Achievable

Goals need to be in line with your capabilities. It may be a challenge to reach your goal and it may stretch your resources, but it needs to be attainable. If it's impossible, you're setting yourself up for failure.

It's not always easy to tell whether or not a goal is achievable at first. Try to consider what work will go into achieving this goal and what resources you'll need. Consider also the timeframe in which you want to get it done. It's often easier to see whether a goal is achievable or not once you start working toward it.

## R – Relevance

Your marketing goals need to be relevant to your overall business goals. How will attaining this goal help your business move forward toward its goals? Measure each marketing goal against your business goal by asking yourself how it's relevant.

## T – Time-Bounded

Time-bounded simply means that your goals need to be set in a specified time-frame. They can't be open-ended. Your goal may have a time-frame of days,

weeks, months, or even years, but it needs to have some kind of time limit. Include a time limit for the goal's attainment as well as specific times for each of the steps needed to reach the eventual goal.

## Marketing Goals and Business Strategy

Marketing goals are used to create a strategy. Your strategy will guide how you put your plan into action and it helps you decide which tactics to use. Tactics are the actual concrete methods that will lead you to achieving your marketing goals.

For example, your marketing goal may be to increase revenue from a specific segment of your market by 25%. You'll consider your capabilities, your market, and your marketing plan to decide what strategy will help you do that. For example, you might decide that your best strategy is to increase your presence and engagement on social media to gain access to that market segment.

Once you have a strategy in place, you can draw from it the specific tactics that will put it into action.

## Review Your Business Goals

Start with the big picture and work your way down. Review your business goals. Make sure that these goals are clearly stated. Once defined, state your marketing goals, which are tied in with your business goals. Since this is a marketing plan, your marketing goals are the central focus (although your marketing plan should summarize business goals as well).

For now, set marketing goals for one year from now. Where do you want your marketing to get you in a year? Separate these goals into different categories.

When coming up with marketing goals, think in terms of the actions you want your target market to take. When your customers take these actions, it pushes you

closer to your business goals.

You can extrapolate your marketing goals into strategy and tactics by asking yourself, 'What can my business do to lead customers to take these actions (the marketing goals)?'

## The Purpose of Marketing Goals

Broadly speaking, there are three types of marketing goals. One is to gain new customers. The objective is to get a person to make their first purchase from you. In order to do this, you need people to tell others about you. You need to get the message to them about your offering and its benefits. If you can spread awareness of the unique value you offer, this will result in more first-time purchases. Your tactics should include everything from gaining more exposure to moving customers through your sales funnel toward that first purchase.

Other goals revolve around keeping current customers. Your objective may be to maintain the same purchase amount and frequency. If this objective is met, you'll gain revenue as you gain new customers. To meet this objective, you might encourage increased use of your products or develop new product lines that current customers can use.

Finally, goals can be aimed at getting customers to buy more from you. The tactics would be similar to the last type (keeping customers buying) but the objective would be to increase purchase amount and frequency.

Just remember that your marketing goals should be simple, focused, clear, and should follow the SMART criteria. They should be specific actions you want your customer to take.

**Activity:**

Using the SMART Marketing Goals worksheet, identify your top 3 marketing goals and check them against the SMART criteria

# SMART Goals

## SPECIFIC

- Clear and simply stated



## MEASURABLE

- Know when a goal has been reached



## ACHIEVABLE

- Goals in line with your capabilities



## RELEVANCE

- Relevant to overall business goals



## TIME-BOUND

- Set in a specified time-frame

## Track Your Marketing Results

In one of his many books, H. James Harrington, the famous performance improvement guru, said:

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*"Measurement is the first step that leads to control and eventually to improvement. If you can't measure something, you can't understand it. If you can't understand it, you can't control it. If you can't control it, you can't improve it."*

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No matter how amazing and ambitious your goals sound, if you can't track them, then you're just shooting in the dark and won't know where to shift your efforts with change.

However, tracking and measuring results is one of the most challenging parts of marketing for many people. It's not as simple as looking at total sales or profit since those can be the result of many different activities, some of which could have nothing to do with your marketing at all.

Your ultimate measure is Return on Investment (ROI). Try to assign specific portions of your marketing budget to specific marketing campaigns in order to make this metric work for you. There's bound to be some impact from one marketing initiative on another, but approximate ROI is better than not measuring it at all.

If you've followed the SMART criteria, you'll already have an idea of what you have to measure for each of your marketing goals. The question now should be the specific metrics to track and how to measure them. Here are a few of the

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common metrics you'll need to understand in order to measure your marketing results, depending on what goals you've set:

### **Website Metrics:**

- Unique Visitors – New visitors to your site vs. returning ones.
- Page Views – The number of pages visitors have looked at.
- Bounce Rate – How long visitors spend on your site before leaving.
- Traffic Sources – Where your visitors are coming from (eg, search engines, social sites, email, other pages, etc.)
- Inbound Links – Other sites that are linking to your content.
- Keywords – The keywords people used to find your site in search engines.
- Conversion Rate – How many people perform a desired action after landing on a web page

### **Customer Metrics:**

- Lifecycle – How long it takes to convert a prospect to a customer in your sales funnel.
- Conversion Rate – The percent of people who perform a specified action (eg, sign up for your email list, click on a link, buy a product, etc.)
- Average Lifetime Customer Value – How much your average customer is worth in terms of revenue over their lifetime with you.
- Customer Satisfaction – The ratings customers give for how satisfied they are with your service.

### **Email Metrics:**

- Opens – How many people opened your emails
- Clicks – How many people clicked on a link in your emails
- Conversions – How many people purchased something after clicking on a link
- Unsubscribes – How many people unsubscribed from your list
- Subscribers – How many current and new subscribers you have

### **Social Metrics (vary depending on site):**

- Likes
- Shares
- Engagement
- Retweets
- 'Plus Ones'
- Repins
- Followers

### **Advertising Metrics:**

- Cost per Click (CPC) – How much it cost you each time someone clicks on your ad
- Cost per Impression (CPM) – Actually, this is cost per 1,000 times people viewed your ad
- Cost per Action (CPA) – What the actual cost was to achieve a desired action, such as a sign-up, website visit, like or share.

There are a number of different tools you can use to measure these statistics. There are also companies who specialize in helping you measure your marketing effectiveness.

One of the most popular tracking tools, free and available to everyone, is:

## **Google Analytics**

You can track all sorts of information related to your website using the free Analytics tool from Google. When you sign up for an account and tie it to a specific website, you'll receive a piece of code that you'll then insert into your website or anywhere else that allows you to track with Analytics.

Once you've added your tracking code, you'll start receiving data within a few days. You can get data on everything from your Audience to your mobile ecommerce site to social sharing. You can even set goals for your site and track events.

The challenge with Google Analytics is the overwhelming amount of information you receive from Google. To make it easier to track results, try creating your own custom reports by specifying exactly which key metrics you want to track. You can also create your own custom 'Dashboards' for different types of measures.

Check out the pre-designed Dashboards that Google has to see if there are ones that will work for you that are already set up. Just click on 'Dashboards' at the top of the left-hand menu and then "+New Dashboard". Click on "Import from Gallery and browse through. A good one to start with is the one from the Analytics Team call New Google Analytics User Starter Bundle.

Keep it simple to start with and gradually explore Google Analytics as you progress in your business. Otherwise, you'll end up wasting hours of time figuring out what to measure and then never get anything done!

## Avoiding Overwhelm

The number of metrics you can follow sounds overwhelming, but the key is to focus on just a few and base that choice on your goals. Set just a few measures for your overall marketing goals. Then specify other measures for each marketing campaign or initiative you conduct. You'll be deciding on some of those initiatives later in this course, after you've established your marketing mix. So for now, just focus on the measures for your goals.

### **Activity:**

For each of your marketing goals, determine how you will measure the results, including what tools you'll use and how often you will track the measures.

# Understand the 4 P's of Marketing

The goal of marketing is to put the right product in front of the right people at the right time and in the right place. This is a simple explanation of something that's actually extremely complex. But through this phrase, we can extrapolate the 4 P's of marketing.

The 4 P's are Product, Price, Place, and Promotion. We can use the 4 Ps to take a marketing objective and create an actual roadmap of concrete tactics which, once implemented, will help you to attain your business goals.

## Product

This is the offering you make to your market, which can be a product or service. Your marketing plan considers the features and benefits for the customers, not how the product is produced or other details. Your concern here is how your market sees the product. You should also be concerned with how the product relates to your unique value proposition.

## Price

Here you consider pricing strategy, which includes price range, high versus low price, payment plans, pricing options, and so on. In a marketing plan, you're not thinking about cost. What you're concerned with here is the perceived value of the product or service by your market and how much your customers are willing to pay.

## Place

As the word suggests, place refers to where you'll 'place' your products so that your customers can easily buy them whenever they want them. Places include

retail stores, online stores, resellers, distributors, websites, and so on.

## Promotion

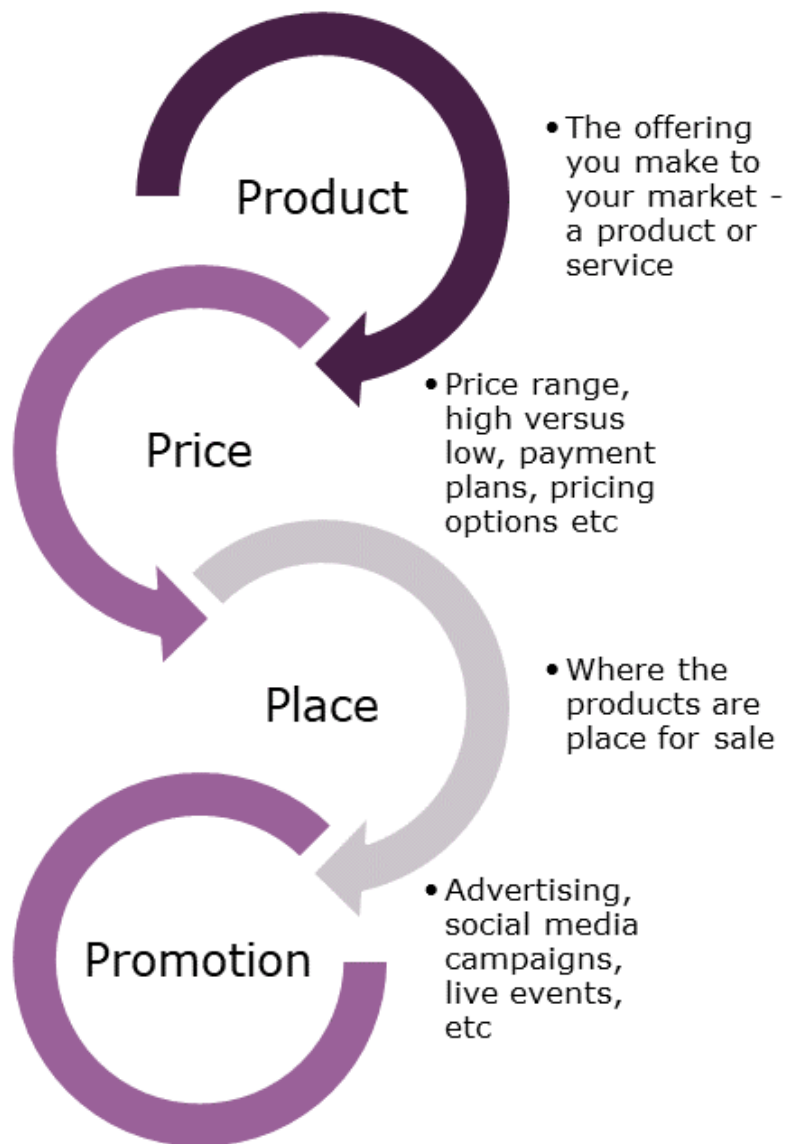
Promotion includes the promotional tactics you will use to spread awareness in your market of your products and services. Promotion involves emphasizing benefits and influencing customers to buy from you. It includes advertising, social media campaigns, live events, free seminars, press releases, and anything else that garners exposure.

Later in the report, we'll go through each of these 4 P's with questions you can ask yourself in order to most effectively define each. From your answers to these questions, you can formulate concrete marketing tactics. We'll also look at a few examples of each P from major brands that have extrapolated tactics from them.

### **Activity:**

Using the 4 P's worksheet, write down what your current 4 P's are

## The 4 Ps of Marketing



# Identify Your Marketing Mix

A marketing mix is a combination of factors that can be controlled by a company to influence customers in purchasing products. It's the central part of your marketing plan and it's made up of the 4 P's that we just discussed – Product, Price, Place, and Promotion.

In this chapter, we'll discuss how to define the 4 P's of your marketing mix and common tactics businesses use.

## Defining the 4 P's of Your Business

The best way to define your 4 P's is to ask yourself questions for each. Here are some questions to help you identify your marketing mix elements.

### Product

- What kind of product does your customer want?
- What features do your customers want?
- How will your customer use your product?
- How big is your product?
- What color and what shape is your product?
- What are its functions and features?
- What is the name of your product?
- How is your product different from the offerings of your competitors?
- How will you brand your product?

## Price

- What is the customer's *perceived* value of your product? (Remember that cost is not an issue in your marketing plan)
- What are other companies selling similar products for?
- How do your customers feel about the price you're offering?
- How do your customers feel about spending their money?
- How will a small increase or decrease affect sales?
- What discounts can you offer?
- Can you undercut your competition without hurting your bottom line?
- Can you offer extra value that would allow you to charge more for the product?

## Place

- Where do people look for products such as yours?
- What kind of store sells products such as yours?
- What distribution channels do you need and how can you access them?
- Do you need a sales force or intermediaries to help you sell?
- Can you sell at trade fairs or other offline events?
- Where are your competitors selling their products?

## Promotion

- Can you reach your customers through traditional advertising channels such as TV, radio, or billboards?
- Are there certain times of year when your customers are more likely to buy?
- How do your competitors promote their products?
- What ideas of your competitors' can you use?
- How can you promote your products differently than your competitors?

You can use the above questions to help you define your 4 P's. These will then help

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you determine what direction you want to take in terms of a specific marketing strategy and tactics. To help you think of ideas, the following sections contain some popular tactics for each one of the 4 P's.

## Product Tactics

**P**roduct tactics involve making changes to your products in order to increase their appeal to customers.

Some companies continually put out new products their customers can use. Kellogg's, which is known for its cereal and snacks, makes a wide range of products. It has branded itself as a company that always has new products available for its customers.

Products can be repositioned to meet new customer demands or to attract new customers. They can also be extended to offer more benefits for customers or new segments of the market. New product lines can augment old ones.

One product tactic is to offer special features for your products that other companies don't offer. An extremely simple added feature can make a huge difference to your customers. An example is a fan or heater with a safety feature that shuts it off immediately if it senses someone nearby.

Bundling is another good product strategy. Bundling means putting the product together with other useful products in a 'bundle' to give it added value. An example would be offering free batteries along with an electronic product or a free anti-virus software program for a web-design product.

A product tactic that has been gaining popularity in recent years is gamification. Gamification takes some aspect of using the product and turns it into a game for

the user. Apps often do this. They offer a reward system or levels that a user passes through.

Language learning app Duolingo takes learning a new language, something that's hard to do, and makes it fun and entertaining with its game-like level system. Zynga's Farmville grew to great popularity in part because of its gifting feature, which allowed players to give each other gifts and grow their farms together collaboratively.

Offering a reward program is a good product tactic. You can reward your product's users when they refer others. Probably one of the most famous and successful referral programs is that of Dropbox. Dropbox rewards the user for referring a friend as well as rewarding the friend for being referred.

**Activity:**

1. Complete the questions in the Product Tactics worksheet
2. Draft the tactics you will use to approach the Product portion of your marketing mix

## Price Tactics

There is a wide array of price tactics available. Keep in mind that perceived value is an important factor here. Base your price tactics on the expectations of your customers.

You can use competitive pricing or strategic pricing for your goods. Competitive pricing means undercutting your competitors, like U.K. supermarket chain Aldi. The supermarket industry is extremely competitive, so Aldi made itself known for its low prices.

Strategic pricing means charging more than your competitors, but convincing consumers through your marketing that you offer a higher quality product. A great example of strategic pricing is Starbucks, which got Americans hooked on gourmet coffee. Most people would've never imagined paying \$3 or more for a cup of coffee, but Starbucks worked the gourmet angle, offering something much higher quality than a typical gas station cup of Joe.

There are many more tactics you can use in the domain of pricing, such as tiered pricing that offers customers a variety of options at different prices. This is what Apple does with many of its products, like the iPad, which comes at various prices, each with different features and capabilities.

Market penetration is another tactic in which you offer reduced prices for new products to help them spread in the market. The goal is usually to steal customers away from a competitor who already offers similar products. An example of this is the release of Lay's Stacks. Similar to Pringles, Stacks were sold at \$0.69 at first in order to attract Pringles buyers. Once it had penetrated the market, the product price was raised to its regular price.

The opposite tactic is called price skimming. This is where you launch a product at

a relatively high price and then gradually lower this price. This tactic is used often in tech markets. Serious tech and gadget enthusiasts will buy the product at the high price because they want to be the first to own it. Once buyers who will pay the high price purchase the item, the price is lowered so that others will buy it as well. This is a tactic used by Sony and other major tech product makers.

**Activity:**

1. Complete the questions in the Price Tactics worksheet
2. Draft the tactics you will use for the pricing part of your marketing mix

## Place Tactics

**P**lace tactics are based on how you get your offering to your customers, either physically or online.

For place, you can have locations with high volumes of traffic, online or offline, or try for fewer locations but in areas where consumers in your demographic are concentrated. Your place tactics should revolve around making it easy and convenient for your customers to find and visit you. You should take into consideration the locations of your competitors and other factors such as your distribution network. Accessibility of your location to highways and public transit can be a factor for some offline businesses, as well as ease of access, which includes store layout (again, online or offline) and parking spaces.

Your place tactics may help you expand to new areas. If this is part of your strategy, you'll need to consider each of these new locations and whether or not you'll get the same results there. What works well in one location may not necessarily work well in other locations, even if they seem similar. On the other hand, it may make more sense for your goals if, rather than adding new locations, you instead work to build a stronger distribution network or stronger presence in your single location.

Many retail outlets such as Sony aggressively build locations all over the world where anyone can see and try out their products. Sony's website helps customers find the location nearest them, no matter where they are in the world. While many companies like Sony try to be ubiquitous, others sell their goods only through specialty shops. One example of this is luxury car maker Infiniti, which tailors to a very specific market of high-end buyers.

Under the place category also comes distribution. Will you distribute your products directly to consumers, thus giving you total control over the sale of your goods, or sell indirectly through wholesalers and retailers? The advantage of the latter is that you can extend the reach of your product with minimal cost because you don't have to set up your own sales operations.

**Activity:**

1. Complete the questions in the Place Tactics worksheet
2. Identify where you will 'place' your product/service and distribute it so your customers have easy access.

# Promotion Tactics

Promotion tactics include anything to spread awareness of your company's products. Tactics may aim to increase demand of your product by educating your market on its benefits. Your tactics can boost the image of your brand or communicate the high quality of its products.

## Inbound vs. Outbound Tactics

There are two types of promotion tactics – outbound and inbound. As the name suggests, outbound tactics are tactics where you send out your message to get it in front of people. Outbound includes many of the traditional advertising and marketing methods, like television ads, direct mail and special promotional events. These are tactics where you seek out your market.

Inbound marketing is more subtle. It draws the audience's interest rather than sending out a message to them. Many types of online tactics are inbound, such as content marketing, SEO, opt-in newsletters, and sharing content on social media.

Outbound tactics can still be highly successful depending on your market, your industry and how you carry them out. But in general, there has been a shift to inbound marketing for several reasons.

One reason is that it's cheaper and easier to do. Another reason is that people are inundated with so many marketing messages on a daily basis, many outbound marketing messages get ignored. Finally, it simply fits with today's market, where people consume content and base their buying decisions at least in part on this content.

This doesn't necessarily mean that you should forget about outbound tactics and focus only on inbound. Here's a breakdown of the pros and cons of each:

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Inbound marketing is successful because it isn't pushy. People don't feel like they're being marketed to. Instead, they feel that they're simply consuming useful information. The downside of inbound marketing is that inbound alone is usually not enough to attract customers. For example, after posting content, you'll often see a spike in traffic but the longer the content is online, the less the traffic will trickle in. It's a passive approach. Marketers often get more dramatic results using outbound tactics.

Outbound marketing takes a great deal more work and resources. But by reaching out directly to your market, you have an opportunity to build stronger relationships with them through this direct communication. It's something of an extrovert's approach. It's more hands-on than inbound marketing. However, it takes a considerable amount of work and is usually costly.

Most marketers choose to use both types of tactics. Using inbound only is like setting up a shop and expecting customers to simply show up. It usually requires some outbound efforts to get the traffic started. On the other hand, even if you focus on only outbound, you'll still need the inbound tactics of good content that customers value so that you'll keep those customers coming back for more.

## Offline Promotional Tactics

The most common offline promotional tactic is the advertising campaign. The purpose of an ad campaign is to make you and your product known to the general public. Decide on the specific aim of the ads – whether to sell, inform, brand, or improve your business – and on what media your ads will be seen by your target market. Advertising is usually costly, but it's a great way to get your message directly in front of your market quickly.

There are many ways to promote your products offline through events. You can hold product demonstrations, attend trade shows, give seminars that are both



educational and promotional, join and participate in your local Chamber of Commerce, etc. These require a serious time investment but they're great opportunities to communicate face-to-face with your customers.

Another good offline promotional tactic is the free sample campaign. You offer a free sample of your product or service to your target market. This gives them a direct taste of the value you have to offer. If your product is truly helpful and valuable to them, they'll become buyers.

Other traditional offline promotion tactics include direct mail campaigns, selling door to door, telemarketing, and so on.

Since many marketers consider these traditional methods passé in the days of Internet promotions and customers who are more resistant to marketing, many have turned to what are called 'guerrilla marketing' tactics. This includes creative, outside-the-box ideas like leaving sticky notes in public places, writing on the sidewalk in chalk, leaving branded items like pens in public places, and other ways to get people's attention. These are the kinds of things that pique people's curiosity, leading them to ask, 'What is this?'

## Online Promotional Tactics

There are many online promotional tactics that take a great deal less effort and cost less than offline tactics. With virtually everyone spending a great deal of time online these days, online promotion tactics that are done well can bring you great results.

Content marketing is a popular promotional tactic. It involves creating content, which can be text-based, visual, video, interactive, or any other kind of content, and using it to build a relationship with your audience. Content can help, inform, or entertain, but it's non-promotional in nature. Rather, it brands your company in the minds of your market, who will then come to you to buy your products and

services when they need them.

Email marketing is another good way to promote online. It's often part of a content marketing strategy. It involves obtaining names and email addresses and building a list. You then send informational content along with deals and promotions directly to your subscribers' email inboxes. The advantage of email marketing is that it's the most personal approach, since you are marketing directly to your subscribers' email.

Social media is another type of online promotion in which you create a profile on social media sites such as Facebook, Twitter, Google+, YouTube, and LinkedIn, and then make connections with your market there. Again, your activities here should promote in a subtle way. Offer help and information, with a little promotion thrown in. In addition to profiles, you can also create pages, groups, communities, interactive content, and other opportunities for engagement through social media.

Publishing online for Amazon's Kindle or other platforms is also a great promotion tactic. Through publishing informational content that's of interest to your market, you establish your authority in your field. You make a name for yourself and brand your company.

You can also hold online events such as webinars. A webinar is the online version of a seminar where you teach people about something related to your business. Like publishing, this establishes your authority and builds relationships.

## Integrating Strategies

It's best to use a wide variety of promotional tactics. Identify the tactics that you think will work best with your target market and choose several of them through several different marketing channels. It's best to diversify because some promotions will fail or lose their efficacy over time, so it's important not to have all

of your eggs in one basket.

**Activity:**

1. Complete the questions in the Promotion Tactics worksheet.
2. Identify the types of promotion tactics you will use in your marketing mix. Be sure to include both inbound and outbound methods, such as content marketing and advertising. The worksheet lists some different methods, so just edit them to suit your needs.

# Create a Marketing Budget

**I**t's hard to make a budget for the first time, but once you make your first budget and track expenses and revenues, it gets easier. The marketing budget is an important part of your plan.

As a general guideline, your marketing budget should be 1% to 10% of sales. Of course, when you're just starting out, your marketing budget should be whatever you can afford. But if you're a new business, you should expect to spend closer to 10% than 1% on marketing. You may even want to spend more.

## Expenses and Resources

To make a budget, make a list of all of your expenses and resources. For expenses, start with fixed costs. These are costs that don't vary depending on other factors. For example, you might have monthly marketing subscription services you pay for or content creators on a retainer.

Then, approximate the costs that fluctuate – your variable expenses. When it comes to marketing, many of your expenses will fall into this second category. If you're running an online ad campaign, for example, you will pay per the number of clicks on your ads (although you can set a ceiling for these).

Also make a list of all of the resources you need to secure in order to carry out your marketing plan. These may be tangible tools you need, such as printing of offline promotional materials or software packages for your online marketing, as well as intangible expenses such as outsourcing.

## Allocating Expenses

Decide how much should be allocated to each marketing channel or resource. The advantage of online advertising is that it can be cheap, depending on where you go, and sometimes free. It takes effort on your part to run your online campaign, but there are few upfront charges. Things you might pay for include website design and optimization, pay per click advertising, and advanced tracking software.

Offline, you may need to allocate funds for advertising, listings in Yellow Pages or classifieds, direct mail campaigns, and attending trade shows or other events.

## Tracking Your Expenses

The most important part of budgeting is tracking. You need to track expenses very carefully. There's a good chance that your first budget will be inaccurate, but if you keep track of expenses well, you can correct for the next budget.

Tracking expenses shows you areas where you need to tighten up and be more efficient. You may find that you're spending a great deal on a particular marketing tactic that is not bringing you much in the way of results. For example, you may be funding a pricey direct mail campaign that's not achieving your marketing objective of gaining new customers.

One thing to pay particularly close attention to is where your customers find you. These are good areas in which to allocate more financial resources.

The marketing budget you come up with will be your minimum budget. It will be increased when you launch new products or expand your business. With your budget clearly laid out in your marketing plan, you'll have the ability to grow when the time comes.

## Forecasting Future Revenues and Expenses

The budget section of your marketing plan should include a forecast of future revenues and expenses. This should be based on past financial records along with predictions of market trends and other things that could affect your budget (refer to the Threats section of your SWOT analysis). Once you begin tracking expenses, you can make a more realistic forecast.

For your forecast, it's important to focus on expenses rather than revenues. It's good to overestimate expenses because it reduces the risk that you'll come up short. Double or even triple your projected expenses and you'll protect yourself in case they turn out to be higher. If nothing else, you'll have some left over. Alternately, estimate revenues conservatively. Imagine that high expenses will stay high in the future.

Base your forecast on trends in the industry and have a backup plan in case your sales drop. For example, designate high cost marketing channels that can be put on hold until sales rise again, or find lower cost alternatives to get you through hard times.

### **Activity:**

1. Using the Marketing Budget spreadsheet provided, estimate your future revenue, based on past revenue and anticipated increases (be conservative)
2. Next, list current fixed expenses and costs
3. Next, establish a budget for any expenses associated with each part of your marketing mix. Edit the listed marketing tactics to suit your needs.

Make sure your total expenses do not exceed your projected revenue!

# Marketing Plan Calendar

All the hard work is now done and it's time to start planning out the actual implementation of your Marketing Plan. Naturally, you'll need to go into more details on action steps once this course is done, but for now you can lay out your high level plans for the year and how and when they'll be implemented.

## Your Marketing Initiatives

Start by planning out your major initiatives for the year, based on what tactics you chose in your marketing mix, what your budget can afford, and which tactics are the most likely to help you achieve your goals. For example, an initiative could be to run a promotional webinar series in order to meet a goal of increasing leads by 50%.

Go back to your budget at this point and specify an amount that will be allocated to each initiative. That way, you can keep your costs under control and track your Return on Investment for each initiative as well. Be sure to adjust your budget numbers if you've decided you need more for one initiative vs. another.

## Yearly and Monthly Planning

Determine when you will implement each initiative during the course of the year, both on a quarterly and monthly basis, so that you can take advantage of any seasonal trends. In addition, you need to make sure you won't be overtaxing your resources both on the people and financial level. Sure, you can always outsource tasks, but be sure that your own involvement isn't stretched to breaking point.

## Goals and Metrics

Set goals for each initiative and determine the metrics you'll use to measure results. Look back at the section in this course on Tracking Results to get ideas of what metrics you can track. An example goal for your webinar series might be to gather at least 200 new leads per webinar. The metrics you track might include webinar registrations, webinar attendance, and any downloads you send your webinar participants to.

## Action Plans

Decide on tactics and activities you'll use to implement each initiative. Your 4 P's tactics will help here too. For instance, your webinar series could be free, delivered via Google Hangouts and YouTube, promoted via social media, email, press releases, joint venture relationships, etc.

Be sure to identify the resources you'll need for each initiative. For example, a webinar series might require guest speakers, content creators, a new delivery platform, etc

Finally, complete your action plan by breaking down each initiative even further. Include specific tasks, responsibilities and deadlines. To set deadlines, work backwards from the timing you specified in your yearly/monthly calendars. For example, the creation of each webinar's content will require things like research, slide design, actual content etc. Some of that you may have to do yourself, but many things can be outsourced or delegated.

As mentioned, after this course you'll need to go into even more detail to plan out the specific tasks, responsibilities and deadlines for each tactic and initiative. At this point, you can start by outlining the basics and filling in the rest later.



### Activity

1. Review your goals and the 4 P's tactics you brainstormed
2. Decide on at least 4 marketing initiatives you want to implement this year to achieve your goals (per quarter). Use the Yearly Marketing Plan Calendar.
3. Use the Monthly calendar (which follows the yearly one) to outline the timing for those tactics in a monthly format. Some initiatives may span several months, so be sure to note that. Remember to include ongoing marketing activities.
4. Use the Action Plan worksheets to plan more of the details of each initiative, including the goal for each, tasks/activities, resources needed, who will be responsible, and deadlines.

## Conclusion: Putting It All Together

You've now come up with a viable marketing mix to help you create a big picture view of your marketing. You've drafted a budget and you've laid out some of the marketing initiatives you want to implement over the course of the year. Now, it's time to put everything together.

Take each of the above chapters and turn each into a section of your overall marketing plan. You can follow the order of chapters in this report or change if you feel necessary.

### Write Your Executive Summary

At the top of your marketing plan should be an executive summary. This is a summary of your entire marketing plan. It spells out the basics and the sections of your plan explain each in detail. The executive summary should be short and concise without any of the minutiae. It should allow the reader to take in the entire plan at a glance.

Although the executive summary goes at the top, it should be the last thing you write. It's much easier to write a summary of what you've already written than what you're planning to write.

### Refining Your Marketing Plan

Once you've written a draft of your marketing plan, get as many eyes on it as possible. Ask your employees and colleagues to read it and get their feedback. Ask them if they feel anything is missing or not clearly explained.

Even after the final draft is finished, you should review your marketing plan on a regular basis. Things will change and you'll need to update it.

**Activity:**

1. Use the Marketing Plan Template to summarize the work you've done in the course and fill in any missing gaps in your marketing plan. Be sure to add an Executive Summary.
2. Now, use the To Do List worksheet to identify tasks you still need to do to complete your Marketing Plan. Give yourself deadlines for completing these final pieces.