

Small Business
Development Corporation

BUSINESS guides

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Marketing Plan Template

1. Executive Summary (Done Last)

Keep in mind that not everyone will read every page of your marketing plan. Your executive summary should highlight the most important parts. It's an overview of your marketing plan.

As you go through the process of writing your plan you will refine your ideas and develop new strategies. By writing the executive summary at the very last you will be able to provide a holistic overview of your marketing plan.

It is recommended that you include the following points in your executive summary:

- **Brief description of products or services**
- **Define target market**
- **Competitive advantage**

You need to tailor your offer so that your target customers believe that it is superior to what is offered by your competition - this is your competitive advantage.

Competitive advantage can come from any element of your marketing mix - creating a superior product, more attractive designs, better service, more effective distribution or better advertising.

Competitive advantage comes down to understanding what your customer values, delivering it and doing it better than your competitor.

- **Positioning statement**

Positioning is the way your product or service is defined by consumers. For example a consumer would describe a Ferrari as a prestige, high performance sports car. This perception by the consumer is due to a strategy developed by Ferrari to position itself in the prestige segment of the car market with a competitive advantage based on high performance and exclusivity.

After you have worked on the rest of your marketing strategy you will know where your business is positioned in your market and how you are different to your competitors.

- **Anticipated sales, profits and market share**



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2. Market and Situation Analysis

- **Economic environment**

Here you should look at the factors that affect your consumers' purchasing power and spending patterns. What is the economic environment that you are operating in? Is it a growth, recovery or recession? Will it be easy to find staff? What is the current interest rate i.e. is it increasing or decreasing? What is consumer confidence like?

- **Social environment**

What are the social and demographic trends? Is the population aging? Is there an increase in the number of people who have English as a second language? Are family structures changing? Are there changes in the level of education?

- **Technical environment**

The technological environment changes rapidly. You need to make sure that you are aware of trends in your industry and other industries could affect your business. New technologies create new markets and can influence you consumers and competitors.

- **Industry environment**

What are the trends in your industry? Are there new entrants in the market? Has a substitute product been introduced? Are there changes in industry practices or new benchmarks to use?

- **Competitive environment**

What are your competitors doing? How many competitors do you have? What is your advantage over your competitors? Is the market large enough to support you and your competitors?

- **SWOT Analysis**

<p>Strength</p> <ul style="list-style-type: none"> • superior customer service • excellent store location • a unique product 	<p>Weakness</p> <ul style="list-style-type: none"> • poorly trained staff • undifferentiated product or service • poor stock management system
<p>Opportunity</p> <ul style="list-style-type: none"> • entering a young developing market • introduction of a government grant to increase consumption of your product (eg: solar power) • acquiring distribution rights for a complimentary product 	<p>Threat</p> <ul style="list-style-type: none"> • new competitor entering your market • new regulations • increased trade barriers



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- **Political environment**

Consider the political environment for the areas that your business will trade and operate in. Is there a stable political system? Are there any licences and regulations that you should be aware of? Do you need to win support to be able to operate?

3. Market Segmentation and Customer Analysis

- **Market segmentation**

When you look closely at your market you'll find that your consumers fall into different groups or 'segments'. Although all of your customers use your product or service they will value different aspects of it such as price, design, or ease of access. You can segment your market by customers that have shared values.

For example, if you were selling electronic calculators your market could be segmented by how consumers use it eg: scientific, office, student and general use. Each of these segments will have different requirements and may vary in price they are willing to pay.

By understanding the needs of segment you can tailor your marketing mix to deliver what your customer values. Each segment will offer growth and profit opportunities so the trick is to deliver the best offer to the best segment.

- **Target market/segment characteristics**

You can profile your target market/segments using four categories:

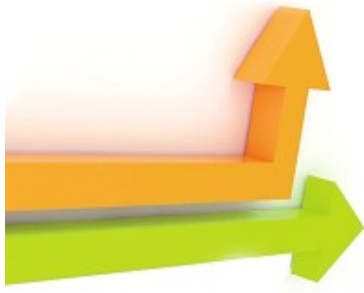
- Geographic: eg: location, population size or climate.
- Demographic: eg: age, gender, family size, family life cycle or income.
- Psychographic: eg: social class, lifestyle, motivation or personality.
- Behavioural: eg: product benefits, frequency of use or brand loyalty.

- **Market research findings**

Provide an overview of your market research findings. This could include:

- products and services and their customer fit;
- customer profiles;
- customer characteristics; and
- customer needs and wants.

Visit the market research section to find out more: www.smallbusiness.wa.gov.au



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4. Objectives and Goals “Where the business needs to be”

- **Mission Statement**

This is a statement of your businesses purpose, what you want to achieve. Your mission statement should be market orientated. For example Disney’s could be “We create happiness by providing the finest in entertainment for people of all ages.”

- **Objectives for volumes, sales, market shares, gross margins, net profit, return on investment**

Your mission is then broken down into achievable objectives. Achieving each objective should take you a step closer to achieving your mission. Working on the Disney example an objective could be “to be the most popular theme park for international visitors”.

- **Convert objectives to goals by assigning magnitudes and dates**

Your goals outline how you are going to achieve your objectives. They should be easy to measure and evaluate. In our example a goal could be to: “increase market share of international theme park visitors by 10% in the next 2 years”.

5. Strategies and Tactics "How to get there"

- **Pricing strategy**

When developing your pricing strategy consider the following:

- your customers sensitivity to changes in price;
- what revenue you need to break even; and
- what the price says about your product eg: value, quality and prestige.

Download the Pricing Strategy Business Guide under Business Tools for more information.

- **Product strategy**

When developing your product strategy consider the following:

- what level of quality and consistency does the product have;
- how many features does it have and can they be removed or added; and
- does the design and/or service deliver what the customer values?

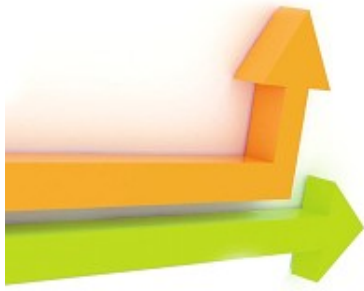
Download the Product Strategy Business Guide under Business Tools for more information.

- **Place strategy**

When developing your place/distribution strategy consider the following:

- what distribution channels and methods you will use;
- if you will have a retail outlet and where it will be located; and
- the geographic area your product/service will be available in.

Download the Distribution Strategy Checklist Business Guide under Business Tools for more information.



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- **Promotion strategy**

Your promotional strategy will ensure that consumers find out about your product or service. There are four main promotional tools:

- advertising;
- selling;
- sales promotion; and
- public relations

Download the Promotion Strategy Business Guide under Business Tools for more information.

- **People strategy**

Think about the people who sell your product or service and are involved in its delivery. Your people strategy is not just about your internal staff, it also covers associates and strategic partners, channel partners and suppliers.

Download the People Strategy Business Guide under Business Tools for more information.

- **Process strategy**

Your process strategy is concerned with the planning, development, implementation, documentation and review of the systems that help you achieve the other aspects of your marketing strategy. If you have the right processes you'll have the right product, in the right quantity to the right place at the right time.

- **Priorities, responsibilities and timeframes (what/who/ when)**

Assign responsibilities to yourself and staff to make sure your strategy gets implemented. Make sure you set timelines so that everyone knows when action points need to be achieved.

6. Budgets and Controls

- **Sales, expenses and marketing budgets Tools for review**

Go to the finance section on the SBDC website and read understanding your figures

- **Contingency plans and risk management**

You should consider the possible risks to your business and make contingency plans to address them. You will have noted some possible risks under the "weakness" and "threats" sections of your SWOT analysis. Try to identify all of your risks and work out what you can do to either reduce them or work around them if they occur.