



MARKETING INSIGHTS

This is a generic tool.

For advice specific to your business, please contact TECHNOLEDGE.

T +61 2 9909 0246
E info@technoledge.com.au
W www.technoledge.com.au

Why you need a marketing plan

Questions to ask before you get started

It's easy to imagine that you can build a business without a marketing plan. Some of these questions will demonstrate the importance of a marketing planning is and how logical and easy it can be, to do yourself.

1. Initial considerations

What is marketing?

Any and all activities that bring you in contact with clients and prospective clients (prospects).

Why do you need a plan?

A marketing plan is your roadmap.

It:

- Defines your market
- Positions and prices your product
- Identifies your ideal distribution mode
- Clarifies who and what you need
- Ensures focus on the right activities in the right order.

Without a plan, it is easy to be distracted, diverted or involved in enjoyable activities that have no positive impact on your business. Any activity that does not progress your business is negative – as it consumes time and resources that could be making a positive impact.

What do you want?

How you start your business determines where you end up, and how your market and prospective markets perceive you. Before you start, you must be clear on your goals for the business - and your commitment.

- Do you really love this business (or the part you play, roles you perform)?
- Do you want to be doing this in 5 years?
- Is this business your long term passion or just a step towards it?
- How long do you want to do this?

What is the ultimate goal (cashflow, retirement fund, passive income, business to sell, investment and expansion, public listing, global business, an enjoyable, profitable hobby)?

How do you get there?

This is the plan. Having defined the role of the business, the plan defines how you will get there.

Do you know your market?

Who is your market?

- Business (by vertical, horizontal, geography)
- Consumer (age, gender, socio-economic status, profession)

Where is your market?

- start with most easily accessible, and think about where it could be.

Who do you know who can help you reach it?

- media, government agencies, friends, business associates, associations.

How much do you know about this market?

Do you need to do some research?

- industry and market analysis, web, internet, external agencies.

What could your market be in 5 years time?

Marketing mix

This is the combination of elements that influence what you will offer, how you will present yourself, how you will price your products and how you will promote yourself. These elements form the marketing plan.

2. Key elements in the plan

The elements are in some sequence, yet as you change one, you will need to consider impact on the others, and revise them. They are all important, and once you ask the questions, the answers will clearly show the way and define the right map for your business.

Product

First you need to be very clear on what it is that you are selling.

What is your product or service?

- What are all the features of your product and what are the tangible benefits
- How could it develop or evolve in the future? (the augmented product)
- What makes it unique now? (compared to competitors)

How would you define it

- can you encapsulate its essence in 30 seconds – the 'elevator pitch'?

How could you develop it

- to be more valuable, more rare, more attractive, more profitable?

Price

Contrary to common belief, businesses and consumers rarely buy on price alone. They balance investment with value or benefit from it, so you must be clear on all the benefits (and drawbacks) of your product (and your service to deliver it) when considering your selling price:

What/who do you compete with?

- who else does your market buy from?

How do you want to be seen in comparison to them?

- better qualified support? better value? better quality? more convenient? easier to buy? more friendly service? more accessible? local?

What extra value do these features add to your product?

- Do you need to price them above, below or equal to competitors?
- What could you add to your product and service to secure higher pricing?

Promotion

Promotion is how you convey your message to your target market. You need to consider:

What resources do you have - money, marketing/PR/telesales people, time?

What promotion is appropriate to your product?

- how/where do competitors promote?
- where do they not promote – and why (have they missed an opportunity?)

How does your market find out about products?

- what websites, magazines, newspapers, trade journals, trade shows do they use/consult?

What PR tools could you use?

- analyst briefings, journalist briefings, user surveys, case studies, opinion pieces?

How much do you want to spend—and what is appropriate to your product's value, market?

How can you reach your market more effectively than competitors?

- online including Google ads, webinars, banner ads, blogs, optimization for Search Engines, online surveys, email campaigns, newsletters, affiliate marketing
- offline including letter drops, telemarketing, breakfasts, focus groups, direct marketing & selling, word of mouth).

How good is your website?

- is a brochure or your best 24/7 salesperson, is it optimized for online marketing or selling?

What promotional tools do you need and in what form?

- brochures, case studies, testimonials, business case, presentation folders, email tools, webinars, online product demos.

Place

This is how you will deliver your product to market:

Do you plan to sell directly?

- see market research above. Who and where are your target customers and how/where do they buy now?

Do you have the resources to take orders, pack, wrap and send products yourself?

- or do you need a reseller, call centre, other outsourced service?

How much do resellers expect as margin?

- is your profit high enough to include a reseller?

Do competitors use resellers?

- could you differentiate yourself better by selling directly?

What volume of orders could you handle directly?

Could you sell directly to start?

- and gain higher demand and margin via resellers once proven?

Do you know your potential resellers?

- who could they be and do you know what they think, what they need?

Where is your business based?

- office, industrial site, virtual or serviced office, home, or post office box?
- which of these is consistent with how you want customers to think of you?

What is consistent with product, market, yourself, where you want to be?

- how could you change the model to differentiate yourself positively from competitors?

Does your product lend itself to multi-level or other form of marketing?

Could you sell completely online and have no office, no resellers and no brochures?

People

This is all about you and the people you choose in your business.

How consistent are you with your product?

- do you plan to sell bargain-priced products yet your appearance is classy, high quality?

Could you change your product, price or appearance to be more consistent and to add value?

Are your people consistent with your product (and with you)?

Does your promotional style (language, font, colours) reflect your own style?

Could there be more synergy between you, your product, your style?

Do you have qualifications or experience that may enhance the value or perception of your product?

- how can this be reflected in brochure, advertising, language, style?

How can you and your people become more consistent with your product?

How can you and your people become reasons to do business with you?

Process

This is about the experience of dealing with you, your company and your product.

How will people contact you?

- phone, mobile mail, website, fax?

Do you want them to contact you personally?

- is your name, your voice to be used? is this beneficial or detrimental?

How will the phone be answered when you are not there?

- receptionist, virtual receptionist, answering machine, pager, answering service, divert to mobile, whose voice will you use?

How can you add value to the process of doing business with you?

How can you make doing business with you more enjoyable than with others?

How can you follow up business and make customers feel special, important, valued?

How will you retain them, keep them coming back, help them to buy more from you?

How can you gain recommendations and referrals for them for new business?

What is your policy for faulty goods, for wrong delivery?

How will you turn a mistake/unhappy customer into a delighted one?

How can you make your invoices, payment reminders into attractive selling tools?

Do you have a CRM system/database to manage your customers?

3. Analysis

It is easier to write a plan if the answers to these questions are structured in some form. Some useful analytical tools which provide structure and objectivity include the following. You should also consider the implications of each:

SWOT

The simplest analysis of your company and product's strengths (S) and weaknesses (W) and opportunities (O) and threats (T) you face in the market place.

PESTEL

A scan of the macro-environment in which you operate including political (P), economic (E), social (S), technological (T), environmental (E) and legal (L) factors.

5 FORCES (Michael Porter)

The impact and interaction of 5 forces on your business, Supplier Power, Buyer Power, Barriers to Entry, Threat of Substitutes and Rivalry.

Generic Strategies (Michael Porter)

Analysis of your business's position in your industry and impact on your strategy (Cost Leadership, Differentiation and Focus)

Value Chain Analysis (Michael Porter)

Analysis of the activities you can use to create competitive advantage (Inbound Logistics, Operations, Outbound Logistics, Marketing & Sales and Service.

4. The plan

This is the easy part. The plan simply answers these questions, incorporating all the answers above, in writing:

- How will you maximize your strengths and minimize your weaknesses?
- How will you maximize your opportunities and minimize your threats?
- How will you get there (what needs to be done first, and then others in what order)?
- What resources do you need (money, people, time); how will these influence timing?
- How will you measure success (what are your financial goals, how will you measure progress)?
- What obstacles will you face (and how will you overcome them)?
- How committed are you to this business (what sacrifices will you make to ensure success)?

See also [How to structure your marketing plan.](#)