

# Marketing Plan Outline

## Appendix I

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As you read in Chapter 2, there is more than one correct format for a marketing plan. Many organizations have their own distinctive format or terminology for creating a marketing plan, and every marketing plan should be unique to the firm for which it was created. The format and order of presentation, therefore, must be flexible.

This appendix presents only one way to organize a marketing plan. The outline is meant to give you a more detailed look at what you need to include, topics you need to cover, and the types of questions you must answer in any marketing plan. But, depending on the product or service for which you are drafting a plan, this set of questions may only be the starting point for more industry-specific issues you need to address.

An actual marketing plan from e-motion software follows this outline. The e-motion marketing plan includes annotations that tie each part of the plan to the material throughout the book. You'll see the correlation between chapter concepts and the elements of a professional marketing plan for a real company.

If you are assigned a marketing plan as a course requirement, this appendix can help you organize your work. In addition, worksheets that guide you through the process of marketing planning are available on your textbook's companion site. The worksheets can be completed electronically or printed out and filled in by hand.

### I BUSINESS MISSION

- What is the mission of the firm? What business is it in? How well is its mission understood throughout the organization? Five years from now, what business does it wish to be in?
- Does the firm define its business in terms of benefits its customers want rather than in terms of goods and services?

### II SITUATION ANALYSIS (SWOT ANALYSIS)

- Has one or more competitive advantages been identified in the SWOT analysis?
- Are these advantages sustainable against the competition?

#### A. Internal Strengths and Weaknesses

- What is the history of the firm, including sales, profits, and organizational philosophies?
- What is the nature of the firm and its current situation?
- What are the firm's resources (financial, human, time, experience, asset, skill)?
- What policies inhibit the achievement of the firm's objectives with respect to organization, resource allocation, operations, hiring, training, and so on?

## B. External Opportunities and Threats

- *Social:* What major social and lifestyle trends will have an impact on the firm? What action has the firm been taking in response to these trends?
- *Demographics:* What impact will forecasted trends in the size, age, profile, and distribution of population have on the firm? How will the changing nature of the family, the increase in the proportion of women in the workforce, and changes in the ethnic composition of the population affect the firm? What action has the firm taken in response to these developments and trends? Has the firm reevaluated its traditional products and expanded the range of specialized offerings to respond to these changes?
- *Economic:* What major trends in taxation and income sources will have an impact on the firm? What action has the firm taken in response to these trends?
- *Political, Legal, and Financial:* What laws are now being proposed at international, federal, state, and local levels that could affect marketing strategy and tactics? What recent changes in regulations and court decisions affect the firm? What political changes are taking place at each government level? What action has the firm taken in response to these legal and political changes?
- *Competition:* Which organizations are competing with the firm directly by offering a similar product? Which organizations are competing with the firm indirectly by securing its prime prospects' time, money, energy, or commitment? What new competitive trends seem likely to emerge? How effective is the competition? What benefits do competitors offer that the firm does not? Is it appropriate for the firm to compete?
- *Technological:* What major technological changes are occurring that affect the firm?
- *Ecological:* What is the outlook for the cost and availability of natural resources and energy needed by the firm? Are the firm's products, services, and operations environmentally friendly?

## III OBJECTIVES

- Is the firm's mission statement able to be translated into operational terms regarding the firm's objectives?
- What are the stated objectives of the organization? Are they formally written down? Do they lead logically to clearly stated marketing objectives? Are objectives based on sales, profits, or customers?
- Are the organization's marketing objectives stated in hierarchical order? Are they specific so that progress toward achievement can be measured? Are the objectives reasonable in light of the organization's resources? Are the objectives ambiguous? Do the objectives specify a time frame?
- Is the firm's main objective to maximize customer satisfaction or to get as many customers as possible?

## IV MARKETING STRATEGY

### A. Target Market Strategy

- Are the members of each market homogeneous or heterogeneous with respect to geographic, socio-demographic, and behavioral characteristics?
- What are the size, growth rate, and national and regional trends in each of the organization's market segments?
- Is the size of each market segment sufficiently large or important to warrant a unique marketing mix?
- Are market segments measurable and accessible to distribution and communication efforts?
- Which are the high- or low-opportunity segments?
- What are the evolving needs and satisfactions being sought by target markets?
- What benefits does the organization offer to each segment? How do these benefits compare with benefits offered by competitors?
- Is the firm positioning itself with a unique product? Is the product needed?
- How much of the firm's business is repeat versus new business? What percentage of the public can be classified as nonusers, light users, or heavy users?
- How do current target markets rate the firm and its competitors with respect to reputation, quality, and price? What is the firm's image with the specific market segments it seeks to serve?

- Does the firm try to direct its products only to specific groups of people or to everybody?
- Who buys the firm's products? How does a potential customer find out about the organization? When and how does a person become a customer?
- What are the major objections given by potential customers as to why they do not buy the firm's products?
- How do customers find out about and decide to purchase the product? When and where?
- Should the firm seek to expand, contract, or change the emphasis of its selected target markets? If so, in which target markets, and how vigorously?
- Could the firm more usefully withdraw from some areas where there are alternative suppliers and use its resources to serve new, unserved customer groups?
- What publics other than target markets (financial, media, government, citizen, local, general, and internal) represent opportunities or problems for the firm?

## B. Marketing Mix

- Does the firm seek to achieve its objective chiefly through coordinated use of marketing activities (product, place, promotion, and pricing) or only through intensive promotion?
- Are the objectives and roles of each element of the marketing mix clearly specified?

### 1. Product

- What are the major product/service offerings of the firm? Do they complement each other, or is there unnecessary duplication?
- What are the features and benefits of each product offering?
- Where are the firm and each major product in the life cycle?
- What are the pressures among various target markets to increase or decrease the range and quality of products?
- What are the major weaknesses in each product area? What are the major complaints? What goes wrong most often?
- Is the product name easy to pronounce? Spell? Recall? Is it descriptive, and does

it communicate the benefits the product offers? Does the name distinguish the firm or product from all others?

- What warranties are offered with the product? Are there other ways to guarantee customer satisfaction?
- Does the product offer good customer value?
- How is customer service handled? How is service quality assessed?

### 2. Place/Distribution

- Should the firm try to deliver its offerings directly to customers, or can it better deliver selected offerings by involving other organizations? What channel(s) should be used in distributing product offerings?
- What physical distribution facilities should be used? Where should they be located? What should be their major characteristics?
- Are members of the target market willing and able to travel some distance to buy the product?
- How good is access to facilities? Can access be improved? Which facilities need priority attention in these areas?
- How are facility locations chosen? Is the site accessible to the target markets? Is it visible to the target markets?
- What are the location and atmosphere of retail establishments? Do these retailers satisfy customers?
- When are products made available to users (season of year, day of week, time of day)? Are these times most appropriate?

### 3. Promotion

- How does a typical customer find out about the firm's products?
- Does the message the firm delivers gain the attention of the intended target audience? Does it address the wants and needs of the target market, and does it suggest benefits or a means for satisfying these wants? Is the message appropriately positioned?
- Does the promotion effort effectively inform, persuade, educate, and remind customers about the firm's products?

- Does the firm establish budgets and measure effectiveness of promotional efforts?
  - a. Advertising
    - Which media are currently being used? Has the firm chosen the types of media that will best reach its target markets?
    - Are the types of media used the most cost-effective, and do they contribute positively to the firm's image?
    - Are the dates and times the ads will appear the most appropriate? Has the firm prepared several versions of its advertisements?
    - Does the organization use an outside advertising agency? What functions does the ad agency perform for the organization?
    - What system is used to handle consumer inquiries resulting from advertising and promotions? What follow-up is done?
  - b. Public Relations
    - Is there a well-conceived public relations and publicity program? Does the program have the ability to respond to bad publicity?
    - How is public relations normally handled by the firm? By whom? Have those responsible nurtured working relationships with media outlets?
    - Is the firm using all available public relations avenues? Is an effort made to understand each of the publicity outlet's needs and to provide each with story types that will appeal to its audience in readily usable forms?
    - What does the annual report say about the firm and its products? Who is being effectively reached by this vehicle? Does the benefit of the publication justify the cost?
  - c. Personal Selling
    - How much of a typical salesperson's time is spent soliciting new customers as compared to serving existing customers?
  - d. Sales Promotion
    - How does the sales force determine which prospect will be called on and by whom? How is the frequency of contacts determined?
    - How is the sales force compensated? Are there incentives for encouraging more business?
    - How is the sales force organized and managed?
    - Has the sales force prepared an approach tailored to each prospect?
    - Has the firm matched sales personnel with the target market characteristics?
    - Is there appropriate follow-up to the initial personal selling effort? Are customers made to feel appreciated?
    - Can database or direct marketing be used to replace or supplement the sales force?

#### 4. Price

- What levels of pricing and specific prices should be used?
- What mechanisms does the firm have to ensure that the prices charged are acceptable to customers?
- How price sensitive are customers?
- If a price change is put into effect, how will the number of customers change? Will total revenue increase or decrease?
- Which method is used for establishing a price: going rate, demand oriented, or cost based?
- What discounts are offered, and with what rationale?

- Has the firm considered the psychological dimensions of price?
- Have price increases kept pace with cost increases, inflation, or competitive levels?
- How are price promotions used?
- Do interested prospects have opportunities to sample products at an introductory price?
- What methods of payment are accepted? Is it in the firm's best interest to use these various payment methods?

## V IMPLEMENTATION, EVALUATION, AND CONTROL

- Is the marketing organization structured appropriately to implement the marketing plan?
- What specific activities must take place? Who is responsible for these activities?
- What is the implementation timetable?
- What other marketing research is necessary?
- What will be the financial impact of this plan on a one-year projected income statement? How does projected income compare with expected revenue if the plan is not implemented?
- What are the performance standards?
- What monitoring procedures (audits) will take place and when?
- Does the firm seem to be trying to do too much or not enough?
- Are the core marketing strategies for achieving objectives sound? Are the objectives being met, and are the objectives appropriate?
- Are enough resources (or too many resources) budgeted to accomplish the marketing objectives?