

Preparing a Marketing Plan – a Brief Guide

This document will help you develop a marketing plan by identifying sources that provide the scope and breadth necessary for its success.

1. Getting Started

Begin by writing a brief description of the business. Describe current products, experience and skills, as well as financial, human, and capital resources. Take the following questions into consideration:

- What does the business do particularly well?
- Are clients' opinions favorable or not?
- Which market segment(s) best match the business's skills and resources to the customer's needs?
- Does the business have the resources to pursue several market segments, or should it focus on only one?

2. Situational Analysis

You must acquire extensive knowledge about the market environment. This includes target customers, competitors and outside influencing factors, as well as a complete understanding of the product. Analyze the following factors:

- **Profile Target Customers**
 - Identify customers by age, sex, education, geographic region, income or lifestyle.
 - Identify their information sources, buying characteristics and product preferences.
 - Consider where the product is normally sold and who decides to buy it.

These questions are normally answered by reading articles and surveys. Refer to databases such as *ABI/INFORM Global, EBSCO Business Source Premier, or CBCA*. Also consider the *Market Research Handbook and Who Buys What, Vol. 2*.

- **The Product or Service**
 - Is there a need for the product or service?
 - Is the product or service unique from other products on the market?
 - What are the product or service's strengths and weaknesses?
 - What is the brand image for the product or service?

These questions are normally answered by reading articles and surveys. Refer to databases such as *ABI/INFORM Global, EBSCO Business Source Premier, or CBCA*.

▪ **Industry Background**

- Consider recent trends and developments in the industry. This includes size of the market and positive (or negative) growth.

Consult the *Standard & Poor's Industry Surveys* or the *FPinformart.ca* database. Alternatively, search the *ABI/INFORM Global* database by NAICS code combined with keywords such as "trends," "polls," or "statistics." Also consider *International Marketing Data and Statistics (Annual)* and *Consumer USA*.

▪ **Competitors**

- Who are the competitors?
- What is the competitors' total market share?
- How does the product or service compare with the competitors' related products (e.g., brand name, price, quality, image, packaging)?
- Who is the target market, and why?

These questions can be answered in the *Lexis-Nexis* database (look in the *Market Share Reporter*). Also be sure to read academic and critical literature about the competitors and their product, as well as the competitors' annual reports.

▪ **Outside Influencing Factors**

- What laws, regulations and court decisions relate to the industry (e.g., labeling regulations, contract law)?
- What technological, environmental, financial, political or ethical factors must be considered?

Canadian legislation and case law can be explored in the *CanLII.org* database; international legislation, case law, and summaries can be found in *Lexis-Nexis* and the *WorldLII.org* databases. Other questions should be explored in the articles found through *ABI/INFORM Global*, *EBSCO Business Source Premier*, or *CBCA*.

3. Identify Key Issues: Problems and Opportunities

▪ **Perform a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis**

- Identify the company's internal differential strengths and weaknesses (e.g., market, human, physical and financial resources) and compare them to the competitors'.
 - Is there a way to exploit the strengths?
 - Is there a way to improve on the weaknesses?
- Identify key external opportunities:
 - Is there a way to make the most of these opportunities?
- Identify any external threats to the success:
 - Is there a way to minimize the effects of these threats?

4. State The Objectives

Objectives should be clearly stated. They are specific to the company or product, and must be realistic, measurable, and time-specific. The following objectives are typical though not exhaustive:

- Sales objectives (e.g., to achieve a desired sales volume)
- Profit objectives (e.g., to generate a net profit of \$10 million on the new product this fiscal year)
- Marketing objectives (e.g. to introduce an established product to a new market)
- Audience response objectives (e.g., awareness, knowledge, preference, conviction, and action objectives)

You will develop and contextualize realistic objectives while researching professional material during the research process. Statistics, especially consumer demographics and spending patterns, will support the objectives; these can be drawn from *Statistics Canada* sources, notably census data and the annual *Spending Patterns in Canada* report, based on the *Survey of Household Spending*.

5. Marketing Strategy

The marketing strategy will propose how to achieve the objectives. It provides a broad outline of the resources, methods and time required to reach the desired outcomes. Building on previous research, consider the following questions:

- How will you go about meeting the previously mentioned objectives?
- How will you act upon the problems, opportunities and threats identified earlier in the SWOT analysis?

6. Action Plan

The action plane will detail the steps to be taken to deploy the marketing strategy. Be sure that that it covers the following areas:

- **Product**
 - Quality
 - Branding
 - Packaging (aesthetic appeal, universal labeling, etc.)
 - Location of service
 - Guarantees and warranties?
 - Return policy, if applicable?

- **Pricing**
 - How much to charge to cover costs?
 - Which is more important: higher sales or higher profits?
 - Inclusion of delivery cost in the price?
 - The product cost breakdown (e.g., labor, materials, operating expenses)
 - Discounts, if applicable (e.g., trade, cash, and/or quantity)?

- **Distribution Channels**
 - What distribution channels would you use? (e.g., direct, traditional, manufacturer to consumer, manufacturer to retailer to consumer, etc.)
 - What are the costs associated with the chosen channel(s) of distribution?
 - How would you transport and store the product?
 - Who will be responsible for distribution?
 - What are the delivery time frames for the chosen channel of distribution?

- **Communication Tools**
 - What percentage of each media will be used in the advertising campaign and how often?
 - What will be the geographic scope for each media used?
 - What will be the budget for each category in the initial year?
 - Media types:
 - Internet
 - Television
 - Radio
 - Magazines
 - Newspapers
 - Billboards
 - Other
 - How might you plan to sell the product or service?
 - Who make up the sales force, and how large will it be?
 - Would you implement a sales training program?
 - Would you offer any incentives to salespersons?
 - Will there be sales promotions?
 - Samples, coupons, etc.
 - What costs are associated with each of the proposed sales promotions?
 - What forms of publicity can be utilized to introduce the product?
 - News coverage, endorsements, sponsorships, product placements, etc.
 - What are the objectives and execution strategies for each form of publicity?

7. Forecasts & Control

The final part of the marketing plan includes the budget and breaks down the revenue forecasts. It also explains the steps proposed to monitor the implementation of the marketing plan.

Control elements include performance analyses, routine sales analyses, and marketing cost analyses. The financial forecasts will rely on monthly cash flow forecasts and a break-even analysis. The Patrick Power Library has numerous texts on budgeting and marketing costs to help you with these forecasts; look for them on the second floor at **HD 47.4**, **HF 5686 C8** and **HG 4028**.

8. Additional Resources

1. Statistics

Canada Year Book

SMU REF: HA 744 S81

Canadian Social Trends

Available online through *CBCA* and *EBSCO Academic Search Premier* databases and on the Library's web site (under Statistics > Stats Canada downloadable publications > 11-008-XIE)

CANSIM

Available on the Library's web site (under Statistics). Also available on the Statistics Canada web site <http://www.statcan.gc.ca> > Browse by key resource > Data tables > CANSIM

Equinox [on campus only]

Available on the Library's web site (under Statistics)

FP Markets, Canadian Demographics

SMU REF: HC 111 F5

Industry Canada

<http://www.ic.gc.ca>

International Marketing Data and Statistics

SMU REF: HA 42 I56

Market Research Handbook

SMU REF: HC 111 A19; and on the Library's web site (under Statistics > Stats Canada downloadable publications > 63-224-XIB)

Spending Patterns in Canada

Available on the Library's web site (under Statistics > Stats Canada downloadable publications > 62-202-XIE)

Statistics Canada Census Profiles

Available on the Statistics Canada web site <http://www.statcan.gc.ca> > Browse by key resource > Census Profile

2. Directories

Associations Canada: An Encyclopedic Directory

SMU REF: AS 40 A86

Blue Book of Canadian Business

SMU REF: HF 5071 B58

Canadian Company Capabilities (CCC)

<http://www.ic.gc.ca/eic/site/ccc-rec.nsf/eng/home>

Canadian Key Business Directory

SMU REF: HF 3223 C24

Canadian Trade Index

<http://www.ctidirectory.com/>

Fraser's Canadian Trade Directory

<http://www.frasers.com/public/home.jsf>

National List of Advertisers

SMU REF: HF 5808 C2 N3

North American Industry Classification System (NAICS) - Canada

SMU REF: HF 1044 C2 N67 2007; and on the Library's web site (under Statistics > Stats Canada downloadable publications > 12-501-XIE)

Standard Industrial Classification (SIC) Codes

<http://www.osha.gov/pls/imis/sicsearch.html>

3. Periodical Articles (News & Business Databases):

Note: The following databases are available on the Library's web site under Databases A-Z.

ABI/INFORM Global

CBCA (Canadian Business & Current Affairs)

CPI.Q (Canadian Periodicals Index Quarterly)

EBSCO Academic Search Premier

EBSCO Business Source Premier

Emerald Insight

Eureka

Lexis-Nexis (available in library only)

PsycINFO/PsycARTICLES

Web of Science

4. Company Relationships

FPinfomart.ca (database)

Available on the Library's web site under Statistics

FP Survey: Predecessor & Defunct

SMU REF: HG 5158 S87; and in the *FPinfomart.ca* database

Inter-Corporate Ownership

Downloadable files available on the Library's web site (under Statistics > Equinox > search for inter-corporate ownership)

Who Owns Whom: North & South America

SMU REF: HG 4538 W423

5. Company/Industry Information

Note: In addition to the materials listed below, databases like *ABI/INFORM Global*, *EBSCO Business Source Premier*, and *Lexis-Nexis* are also key places to research companies and industries.

EDGAR (U.S. Securities and Exchange Commission)

<http://www.sec.gov/edgar/searchedgar/webusers.htm>

FPinfomart.ca (database)

available on the Library's web site under Statistics.

Industry Canada

<http://www.ic.gc.ca>

International Directory of Company Histories

SMU REF: HD 2721 I57

Mergent's Industry Review

SMU REF: HG 4961 M68

Mergent Online (database)

available on the Library's web site under Statistics.

Retail Trade International

SMU REF: HF 5429 R4

SEDAR (Canadian Securities Administrators)

<http://www.sedar.com>

Standard & Poor's Industry Surveys

SMU REF: HC 106.6 S74

6. Economy Information

Bank of Canada Review

Available online through the *CBCA*, *ABI/INFORM Global*, and *Business Source Premier* databases, and at:
<http://www.bankofcanada.ca/en/review/index.html>

Canadian Economic Observer

Available online through the *CBCA*, *ABI/INFORM Global*, and *Business Source Premier* databases.

Economist Intelligence Unit (database)

Available on the Library's website (under Databases A-Z > Economist Intelligence Unit, Country Reports, Profiles, ViewsWire)

Statistical Abstract of the United States

SMU REF: HA 202 A2, and at:
http://www.census.gov/prod/www/statistical_abstract.html

United States Bureau of Economic Analysis

<http://www.bea.gov>

7. Marketing Resources

Advertising Age Encyclopedia of Advertising

SMU REF: HF 5803 A38 2003

Atlantic Provinces Business-to-Business Sales & Marketing Directory

SMU REF: HF 5072 A74 A84

CARD (Canadian Advertising Rates and Data)

Available online through Novanet (Browse by title: CARD)

Consumer USA

SMU REF: HF 5415.1 C6

Lexis-Nexis (database)

Search in News & Business > Market & Industry > By Industry & Topic > Marketing & Advertising
Select a file e.g., Market Share Reporter

Nielsen Ratings

<http://www.nielsen.com>

8. Also Take a Look At ...

- Company websites
- Trade and industry association surveys
- Local Newspapers