**STUDENT GUIDE FOR WRITING A MARKETING PLAN**

**1. Executive Summary**

The Executive Summary “sells” the marketing plan to readers through its clarity and brevity. The summary should present a description of the product/service, its target market, and its need within the market. The summary should also provide an overview of the main points of the plan and should emphasize an action orientation.

**2. Company Description**

The company description should highlight the recent history and successes of the organization.

**3. Strategic Focus and Plan**

While not included in all marketing plans, the Strategic Focus and Plan sets the strategic direction for the entire organization. One approach is to use the strategic marketing process (see pp. 44-50 in the text) and/or diversification and synergy analyses (see pages 581-584).

**a.** **Mission/Vision**

The Mission/Vision statement is a qualitative statement that specifies the markets and product lines in which a business will compete. A mission statement can dramatically affect the range of a firm’s marketing activities by narrowing or broadening the competitive playing field. An effective mission statement must be clear and direct.  
See page 32 in the text.

**b.** **Goals**

The Goals section of a marketing plan sets both financial and non-financial targets. Goals should be in quantitative terms, where possible, to facilitate measuring the company’s future performance. See page 34 in the text.

• An example of a non-financial goal: “Philip Morris will diversify its product lines to achieve 50 percent of sales revenue in non-tobacco products in the next five years.”

• An example of a financial goal (note it is specific and measurable): “XYZ Inc. will increase sales from $10 million in 2008 to $15 million in 2012.”

**c.** **Core Competency and Sustainable Competitive Advantage**

• **Competencies** are an organization’s special capabilities, including skills, technologies, and resources, which distinguish it from other organizations and provide value to its customers. A **competitive advantage** is an unique strength relative to competitors, often based on quality, time, cost, or innovation.

• An example of a competitive advantage: “McDonalds’ competitive advantage is its large number of restaurants, more than double its competitors, making it more convenient for customers than any other fast food restaurant in the world.”

**4. Situation Analysis**

The essence of the situation analysis is taking stock of where the firm or product has been recently, where it is now, and where it is headed. The situation analysis is the first of three steps in the planning stage. See pages 44-45 in the text.

**a.** **SWOT Analysis**

• The SWOT analysis is an effective shorthand summary of the situation analysis.  
The acronym is used to describe an organization’s internal **S**trengths and **W**eaknesses and its external **O**pportunities and **T**hreats. This analysis provides a solid foundation to identify subsequent actions in the marketing plan.

• The SWOT analysis can be effectively presented in a tabular format (see Appendix A), followed by a text discussion that elaborates on the information in the table.

• An analysis to identify internal strengths and weaknesses usually includes the following areas in an organization:

|  |  |
| --- | --- |
| **When analyzing:** | **Consider:** |
| Management | experience level, management style, size |
| Offerings | uniqueness, quality, price |
| Marketing | type and scope of marketing plan |
| Personnel | quality and experience of workforce |
| Finance | sales revenues |
| Manufacturing | quality and dependability of suppliers |
| R & D | plans for continual product improvement, budget |

• An analysis to identify external opportunities and threats usually includes the following factors:

|  |  |
| --- | --- |
| **When analyzing:** | **Consider:** |
| Consumer/Social | size and stability of market |
| Economic | current and projected economic situation of market |
| Technological | the effect of technology on any facet of the business |
| Competitive | number and size of competitors |
| Legal/Regulatory | the effect of legal/regulatory issues on any part of the business |

**b.** **Industry Analysis**

The industry analysis section should provide the backdrop for a more detailed analysis of the competition, the company, and the customer. An in-depth analysis will give both internal and external readers of the plan confidence in the company’s ability to understand its own industry.

**c.** **Competitor** **Analysis**

An effective analysis of the competition should demonstrate that the company has a realistic understanding of its major competitors and their marketing strategies. As in with the industry analysis, a realistic assessment makes readers feel confident that the marketing actions in the plan are well grounded. See Chapters 2, 3, 8, and 22.

**d.** **Company Analysis**

The company analysis provides details of a company’s strengths and marketing strategies that will enable it to achieve its marketing goals.

**e.** **Customer Analysis**

A thorough customer analysis answers the question: “Who are our customers?” Understanding your customers and what they want is critical in satisfying them and providing genuine value. See Chapters 5, 6, and 7.

**5. Market-Product Focus**

**a.** **Marketing and Product Objectives**

• Setting product objectives and identifying target market segments significantly increases the chance that a product will be successful.

• The objectives and goals should be stated in measurable terms so that they can be measured during the program implementation and evaluation phases of the marketing plan. See pages 47-50 in the text.

**b.** **Target Markets**

• Because an organization cannot satisfy the needs of all consumers, it must concentrate its marketing efforts on the needs of specific niches or target markets.

• Consider why a particular target market was selected and how the product or service meets the needs of the target market. See Chapter 9.

**c.** **Points of Difference**

Points of difference are those characteristics of a product that make it superior to competitive substitutes. The greatest single factor in a new product’s failure is the lack of significant points of difference. See Chapter 10.

**d.** **Positioning**

A product’s unique points of difference are communicated by way of a positioning strategy. See Chapters 9 and 10.

**6. Marketing Program**

Everything that has gone on before in the marketing plan sets the stage for the marketing mix actions—the 4 Ps—covered in the marketing plan. Product, price, promotion, and place (distribution) strategies are all detailed in the Marketing Program section of the plan.  
See page 49 in the text.

|  |  |
| --- | --- |
| **When describing** **these strategies:** | **Include these elements:** |
| Product | features, brand name, packaging, service, warranty (see Chapters 10 and 11) |
| Price | list price, discounts, allowances, credit terms, payment period (see Chapter 12) |
| Promotion | advertising, personal selling, sales promotion, publicity (see Chapters 16 and 17) |
| Place/distribution | outlets, channels, coverage, transportation, stock level (see Chapters 13 and 14) |

**7. Financial Data and Projections**

All the marketing mix decisions covered in the marketing program have both revenue and expense effects. In this section of the marketing plan, both past and projected financial data are included. A key indicator of what future sales will be is to examine past sales.  
See Chapter 9.

**8. Organization**

A marketing program needs a marketing organization to implement it. This section of the marketing plan may include an organizational chart with both current and projected positions represented. See Chapter 2.

**9. Implementation Plan**

**a.** The implementation plan shows how a company will turn plans into results.  
To implement a marketing program successfully, hundreds of detailed decisions are often required.

**b.** These marketing tactics are detailed operational decisions essential to the overall success of marketing strategies. Unlike marketing strategies, marketing tactics involve actions that must be taken immediately. See page 49 in the text.

**c.** For each strategy describe what has to be performed to carry it out. For example, if the plan calls for adding television advertising, implementation might involve contacting an ad agency and arranging a meeting, agreeing on objectives, targeting audiences, and scheduling a flight of advertisements. If the plan calls for increasing the price, a breakeven schedule of alternative prices might be performed.

**10. Evaluation**

**a.** The purpose of the evaluation phase of the strategic marketing process is to keep the marketing program moving in the direction set for it.

**b.** In the evaluation phase, the marketing manager compares the results of the marketing program with the goals in the written plans to identify deviations. The marketing manager then acts on the deviations to correct the negative and exploit the positive ones. See pages 49-50 in the text.

**A. Appendices**

The appendices contain pertinent supplemental information that is too detailed to be included in the body of the marketing plan. Examples include sample ads for the company or its competitors, detailed break-even calculations for various sets of assumptions, etc.