

The Importance of a Marketing Plan

by

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"If you don't know where you are going, how can you expect to get there?" -- Basil Walsh

"We need some marketing," is the cry we hear again and again from companies who call us for help. "How do we start?"

There is a widespread misconception that marketing is like a light switch-turn it on and everything gets brighter. This is not the case. A commitment to marketing is a long-term investment in your business. Like any good investment, it takes planning and patience to see a solid return.

Much as your company's business plan is the key to successful operations, a marketing plan is necessary for success in the promotion of your products and services. Your first and most important investment in marketing should be a thoughtful, goal-oriented marketing plan.

A marketing plan will help to focus your company on the vital activity of growing the business. It will provide the framework on which to build new relationships and cement old ones. Perhaps the most important part of the marketing plan is not the document itself, but the process of putting it together. By taking the time to think deeply about your company's commitment to marketing, by the process of self-examination that is necessary, and by uncovering the true feelings of your customers, you will have a much clearer vision of the future.

At this point, you may be thinking, "We already have a marketing plan. After all, we're committed to running that ad three times next year!" An advertising schedule is only a small part of a complete, well-balanced marketing plan. And it's the last step at that!

There are two important activities that should take place before you develop your marketing plan. Both should be conducted with outside assistance, to keep the results as objective and unbiased as possible.

The first is an internal marketing review. This is an objective look at what marketing activities are already in place. Who is responsible for them? How were they developed? What do they cost? Which efforts have been successful? How was that success measured? Which aspects of your business have been promoted? Which have been ignored? Have your marketing efforts been supported by all parts of the organization?

This may seem like a lot of questioning and soul searching. And a great deal of time spent dwelling on the past. But it is important to establish a history and gain some perspective on the present state of marketing before formulating a plan for the future.

At the same time your internal review is going on, an even more important research project should be underway—a customer survey. While it is important to determine what is going on inside your business, it is absolutely necessary to find out what is going on inside your customer's head.

We have found again and again that the opinions customers hold about a company seldom match that company's opinion of itself. And that spells trouble. How can you expect your customers to be loyal to you if they don't even understand who you are?

Depending on circumstances, this survey of your customers can be very formal and structured; or it can follow a more relaxed, informal "Q&A" format. The goal is the same: to determine what your customers think of your company and your products.

Do they know the full extent of your product line? Is your customer service as good as you think it is? Do your customers feel your prices are competitive? Are you paying enough attention to your customers? Are you marketing to the right individuals, or are you missing some key influencers?

No matter how good you think you are, some surprises will emerge from this customer survey. Certainly, there will be points where your view of the situation will closely match that of your customers. But there will also be a number of gaps between your company and your customers. These gaps must be bridged if you hope to keep your current customers and attract new ones.

Building these bridges should be the goal of your marketing plan.

Marketing is defined as the process of getting and keeping customers. The marketing plan is the blueprint to opening, building and maintaining a relationship between your company and your customers.

What elements go into a solid marketing plan? First, have a written statement of your marketing goal and objectives. This is easier than it sounds! Your goal should be to retain the customers you already have and to attract new customers.

Your objectives are the steps on the way to attaining this goal. They should be logical, specific and measurable. For example, you may determine that you want to increase business with present customers by 10% through an effort to introduce a fuller picture of your product line. Or you might set an objective of gaining new customers from a previously untapped market segment, through the introduction of a new product.

Once your list of objectives has been defined, you can then set about to lay out the marketing communications "tools" that will help you build the bridges between your offerings and the customer's expectations. It is important to develop a strong marketing mix.

Marketing activities can be classified under three general headings: public relations, advertising and self-promotion. It is the careful blending and balancing of these three elements that creates the powerful marketing mix.

Relying on a single element to carry the weight of marketing (such as sinking all of your money into advertising, with no support for public relations or promotion) is a sure path to disappointment. Equally disastrous is the practice of splitting the effort-handing advertising over to one agency, public relations to another, and self-promotion to a third. Such a divided effort cannot match the power of a unified, cohesive marketing effort.

Now comes the "legwork" of matching the appropriate marketing activities with your various markets. Some actions, such as advertising, are very broad in scope and can reach large numbers of customers and prospects. Others, such as targeted direct mail, can be very narrowly-and powerfully-focused. At all times, keep in mind the customer's viewpoint. What to you may seem like a very creative, compelling piece of marketing, may be simply nonsense to your customer. And it is the customer's opinion that matters.

Finally, a word about budgeting. A serious marketing plan will undoubtedly call for a serious financial commitment. In reality, a well-balanced marketing mix is much more efficient than a traditional "throw more ads at the problem" approach. By its nature as a logical, planned process, your marketing plan will help keep you from making expensive mistakes.

Getting there from here. That is the basic purpose of a marketing plan. Without one, your company is likely to limp along, wasting time and money on wrong turns and ineffective marketing. But with a thorough, organized and well supported marketing plan, you are on the road to success.