



The Key to Growing Your Sales is a Strategic Marketing Plan Developed Through a Disciplined Planning Process

What is a strategic marketing plan and why is it important?

Whereas a strategic business plan expresses the vision of your senior management regarding the direction your company will take, a strategic marketing plan is about finding and matching marketplace opportunities with your firm's current and proposed portfolio of products and/or services.

It measures the strengths and weaknesses of those products or services, how you are going to position your brand within your competitive marketplace and how you are going to support your sales effort.

That's right; how you are going to support your sales efforts. Because at its most basic level, a marketing plan is not about slogans and advertising, brochures and websites. It's about turning your sales force into a revenue force.

Who needs a strategic marketing plan?

In a word, everyone. Experts generally agree that more than 90% of all new products introduced in the US each year fail to reach projected sales goals. But the odds of new product success are determined more by the existence of a specific, very discernible planning process than by the size of the company.

Each year, a large proportion of successful new product innovations come from smaller companies with a fraction of the financial resources of the Fortune 500. Companies as different as a fabricator of commercial steel and a regional telephone cooperative need a well-researched, strategic plan in place made the difference between success and failure.

What is the goal of a strategic marketing plan?

The goal of a strategic marketing plan is to act as a disciplined approach to providing a crystal clear understanding of the value propositions and sustainable differences of each product or service, in your portfolio, that no one else can replicate, and then articulating your competitive advantage. These advantages must be truly available to your business, valued by your customers, provide a basis for competitive differentiation and having lasting power.

But, before beginning any marketing effort, whether simple or highly sophisticated, it must be established that your chief executive and top managers recognize and support the importance of formal marketing planning and a coordinated sales and marketing

effort whether directed by an in-house marketing professional or a contracted marketing services firm.

In many small to midsize companies there is not a designated marketing individual. This was the case for a regional telephone cooperative that recognized that to remain successful they had to keep up with the ever-changing technologies in both wired and wireless, voice and data services for the consumer and business-to-business markets. They had the technological capability to compete but they needed a more in-depth understanding of these marketplaces to properly determine where to focus their efforts for the greatest potential return on investment.

In another case a manufacturer of commercial steel had excess manufacturing capacity and it was their dream to use this capability to produce and market a stainless steel sink to consumers. First however they correctly identified the need to learn everything they could about the consumer sink market including channels of distribution, competitive products, the wants and needs of the end-user consumer and much more.

In both cases these organizations hired an outside expert to conduct a marketing audit and help them develop a strategic marketing plan. A marketing audit for any company attempting to launch a new product or position or reenergize an existing product, brand or line extension, can take into account as many as 100 key questions in a range of critical areas. Following is a sample of some of the information that needs to be addressed.

1. How are new products or services introduced by your company?
 - Do you know what need they are intended fill?
 - Are they introduced with forecasts and budgets?
 - How will user demands or trends affect their sales?
2. What is your customer profile?
 - Who is the current and potential customer?
 - Who makes the buying decision? Who influences it?
 - What is the frequency and quantity of use?
3. Competition
 - Who are your principal competitors?
 - What are their market shares?
 - What are their strengths and weaknesses?
4. Where will this product or service be sold?
 - How is the market shaped; where is the center of gravity?
 - Have you identified and measured major segments?
 - Are markets for this product or service expanding or declining?
5. Sales History
 - Do you know where sales will come from; segments and customer classifications?
 - What is the sales history of similar products or services currently offered by your company and/or others?
 - Which territories will deliver greatest results? Which show limited potential?

6. Pricing
 - Are price limitations inherent in the market place?
 - Are your pricing policies set to produce volume or profit?
 - Can the product or service support advertising and/or promotion programs?
7. Marketing Channel
 - What are the trends in distribution?
 - What is the selling path for this product or service?
 - Does this product or service require special channels?
8. Sales Administration
 - Can you provide customer coverage in proportion to potential?
 - Does the compensation plan provide optimum incentive at reasonable cost?
 - How will performance be measured?
9. Delivery and Inventory
 - Can you keep adequate inventories in stock?
 - What inventory turnover is acceptable?
 - Are warehouses and distribution points properly located?
10. Advertising/Media Programs
 - What are the objectives of the advertising program?
 - Is advertising integrated with promotion and sales activity?
 - Are you spending realistically in relation to sales goals?
11. Promotion
 - How will it be measured for results?
 - Can you provide satisfactory displays and point of sale support?
 - Are trade shows a part of the plan? How will their effectiveness be measured?

These are just some of the many issues addressed within a strategic marketing plan. As we did in the two cases noted above, March Forth Consulting can lead you through this process and direct your efforts to create a strategic marketing plan that is a living, breathing document that reflects the vision for your company's success.

If you would like to learn more about how marketing can help improve your bottom line, contact us at March Forth Consulting for a free, no obligation discussion of your needs. Call us or drop an e-mail to our chief consultant, Pattie Cagney Sheehan.



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