

Create Your Marketing Plan

“When I first started my business, I was just out there pounding the pavement, meeting with people. I was so happy for any sale I got. I’d use an old template of a proposal for a new client. I figured it was practical, fast, and therefore why change? One day I had a potential client share with me that my marketing materials looked dated. She kind of whispered it to me off to the side after a meeting. During the meeting I said, ‘I welcome any and all feedback. Your insights are so important to our business.’ That one sentence opened up the door to feedback, and I wanted more. I started testing our approach with different clients. I made changes. Based on the feedback, I made a quick two-page marketing plan. I sat down with a couple advisors of mine with the plan. They gave me great feedback—and some incredible ideas for new ways to stand out to more clients in less-expensive ways. Today, we have lowered our customer acquisition costs, have a higher win rate, and actually get compliments on our marketing approach—whereas before, I am wondering if people were snickering behind our back.”

— U.S.-Based Entrepreneur

Whether the opportunity your business is pursuing is a new or enhanced product or service, or a new market, you need a thoughtful plan that fits this opportunity.

In this tool, you’ll begin drafting your five-part marketing plan. You’ll define what you’re selling and to whom you’re selling. These facts will inform your marketing goals and the strategies and tactics you pick to hit those goals. Finally, you’ll create metrics to see if your strategies are working and what adjustments you may need to make. If you’ve already created your marketing plan in the past, view this as a refresher or an exercise you can go through with your team or a marketing vendor.

My Marketing Plan

PART 1: THE CURRENT STATUS (A SNAPSHOT)

Begin your plan with an overview of where the product or service your company is offering stands in the market today. Think about these guiding questions as you evaluate your position in the market:

- What product or service am I selling?
- Who else is offering similar products/services? Research your competition. If you haven't already, check out Competition.
- What makes my product or service unique? Show why you're better than the competition.
- What's my pricing strategy? If you haven't already, check out Pricing Strategy.
- Do customers want the product/service I'm selling? Your research should reveal that your product/service addresses a specific need or customer pain point. If you haven't already, check out Customer Need.

For example: An HR consulting firm, McGee & Partners, lists the benefits of their consulting services compared to their major competitors.

| Service Benefits and Attributes | McGee & Partners | Competitor 1: Loya Consulting | Competitor 2: S&P Tax and Consulting | Competitor 3: The Draper Group | Notes/Action Items |
|---------------------------------|------------------|-------------------------------|--------------------------------------|--------------------------------|---|
| Customizability | Yes | No | No | Yes | Verify rumor that Competitor 3 has customizable features pending. |
| Trial Period | Yes | No | No | No | |
| 24/7 customer service | Yes | Yes | No | No | Renew exclusive deal with online service provider. This is #1 positive report from customers. |

Disclaimer: The business names appearing in this work are fictitious. Any resemblance to an actual business is purely coincidental.

In the space below, outline your marketing snapshot: How do your existing products or services, or a new line you've developed, stand out in the marketplace?

Key Takeaways for My Product/Service and Its Place in the Market

Product or Service:

| Key Benefits | My Company | Competitor A | Competitor B | Competitor C | Notes |
|--------------|------------|--------------|--------------|--------------|-------|
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PART 2: TARGET AUDIENCE

Describe your target audience. What are the demographics of customers you're trying to sell to, such as how old they are and where they live? What are their psychographics, such as their values, likes/dislikes and buying habits (how, where, when and why they buy)?

Understanding your target audience will guide your marketing efforts—you'll use marketing strategies and create marketing content that resonates with them.

Resource: If you haven't already, check out **Demographics & Psychographics** to read about the importance of understanding your customer and target market.

In the space below, define your target audience by writing three to five traits about them.

For example: McGee & Partners define their target audience as:

- 1. Small to mid-sized firms in the pharmaceutical industry, with revenues between \$1million and \$3 million*
- 2. Located in California, specifically in the Los Angeles and San Diego areas*
- 3. Majority of these firms are just starting up and therefore actively participate in industry conferences for networking*

PART 3: MARKETING GOALS

At this point, you've laid a great foundation for the next steps—you've refreshed your understanding of where your product or service stands in the market, and you've reexamined your target audience.

Based on this information, you can define your marketing goals. Set goals that will stretch you and help you grow your business, but that are attainable. Reviewing your growth and sales numbers over the past years and your financial projections for the next three to five years will give you some indication of what's financially doable and help you put some healthy constraints around your marketing goals.

Check out **Financial Projections** to see what the next three to five years could look like for your business.

Tip: Do your own search for “SMART goals framework + marketing” for further insights on setting goals.

In the space below, write one or two marketing goals. If you want to get the most bang for your marketing buck, have your goals tie directly to sales or profit growth.

For example:

McGee & Partners sets a goal to generate \$50K in sales in the next two months, with an average of \$5K per consulting engagement, targeting firms in the pharmaceutical industry.

- *Win 10 new clients at target project size or greater.*

PART 4: STRATEGIES AND TACTICS

You've set your marketing goals. But how do you plan to meet them? That's where marketing strategies and tactics come in. For instance, social media marketing is a strategy (what), and within that, an #IWD [International Women's Day] campaign featuring your clients is a tactic (how).

Marketing strategies and tactics relate directly to your marketing goal.

The marketing/sales funnel is a popular way to depict the manner in which target buyers interact with your marketing efforts and ultimately become customers.

Stages in the funnel can vary depending on your business, but here is an example:



- **Awareness:** This is the first stage, at the top of the funnel. Here, you'll focus on strategies and tactics that bring awareness about your company's product/service to as many people as possible. This is the "widest" part of the funnel, reaching the most people.
 - A strategy may be events, and within that a tactic could be encouraging product or service trials.
 - A strategy could be press, and within that a tactic could be targeting industry publications while also taking out an ad for a free trial.
- **Interest:** In this stage, a percentage of people who became aware of your product/service show more specific interest in how your product/service can benefit them.
 - A strategy example is e-mail and text marketing, and a tactic could be targeted campaigns to individuals who participated in a trial.
- **Decision:** At this stage, potential customers have moved past exploring your product/service and are actively considering making a purchase. Here, you should do what you can to remove unnecessary steps from the potential buyers' journey to making a purchase.
 - A strategy example is video and audio greetings on social media, and a tactic could be offering a "friends join free" promotion to encourage a decision in your favor.
- **Action:** This final stage, at the bottom of the funnel, is where you make a sale and potential buyers become customers!
 - At this stage, many companies think "the decision is made," but marketing can continue in the form of encouraging action sooner through a time-limited offer, creating excitement about the product/service, linking the buyer with a community, and other creative strategies and tactics.

Tip: Concerned it will cost too much? Examine your marketing budget (more about this in Part 5) as you reach your target audience.

In the space below, write your strategies and tactics for meeting your goal(s).

For example: To meet their marketing/sales goal, McGee & Partners decide to generate awareness about their consulting services through two marketing strategies. Let's look at them one by one.

Offline (In-Person) Marketing Strategy

McGee & Partners opts for in-person networking. As part of their marketing plan, they've decided to focus on the pharmaceutical industry. They register for and arrange to do a presentation at a pharmaceutical industry event (tactic). They study the list of likely attendees and select their top 10 prospects. They invite those select prospects to attend their presentation and arrange to meet for deeper follow-up discussions. They also set up an inviting dropbox where interested parties can leave their business cards for follow-up discussions (tactics).

Web (E-mail) Marketing Strategy

- **Awareness:** *The firm also decides to generate awareness through e-mail marketing. The business owner, Madison McGee, who is a senior consultant and an HR expert, has written a book on this subject matter. She provides a free sample of her e-book on the firm's website (tactic).*
- **Interest:** *There is a signup link to download the free e-book (tactic). Potential customers who are interested in the e-book sign up by providing their names and e-mail addresses to have the e-book delivered to their inbox. This helps McGee & Partners build an e-mail list of interested customers.*
- **Decision:** *Along with the free e-book, the firm also shares other helpful and interesting information about their services to show value and strengthen their relationship with potential customers (tactic). For customers who would like more information, there are clear and easy steps in the e-mail to connect with a business representative. Also, using the e-mail addresses that people provided for the free e-book, the firm contacts targeted companies—companies with revenues between \$1 million and \$3 million that are just developing their own HR departments and are looking for guidance (tactic).*
- **Action:** *Ten percent of the companies that talked to McGee & Partners' business representatives signed up for their services.*

PART 5: BUDGET AND MEASUREMENT

Marketing your product/service is absolutely necessary, but implementing marketing strategies and tactics comes with its own costs. So, it's important that you allocate a portion of your revenue to marketing.

Let's say your revenue is just under \$5 million. How much do you think you could set aside for marketing?

Marketing budgets can vary widely, from 2 percent of sales to 20 percent (while gearing up a new product or service). As a general rule, small businesses with revenues less than \$5 million should allocate 7–8 percent of their revenues to marketing.¹ This budget should be split between 1) brand development costs (which includes all the channels you use to promote your brand, such as your website, blogs, sales collateral, etc.), and 2) the costs of promoting your business (campaigns, advertising, events, etc.). This percentage also assumes you have margins in the range of 10–12 percent (after you've covered your other expenses, including marketing).

Tip: Want to find the right marketing budget level for your business? Search for “how to set a marketing budget” or “calculating marketing budget.”

What about measurement?

Review the different steps in your funnel and study the numbers—How many people did you reach? What level of media impressions did you obtain with your social media campaign? How many clicked? How many purchased?

For example: Here's a walk-through of metrics for McGee & Partners' marketing efforts.

Offline (In-Person) Marketing Metrics

Below are the metrics for where customers are at each stage in McGee & Partners' sales/marketing funnel:

- **Awareness:** *At the industry event, McGee & Partners was able to present to 50 people.*
- **Interest:** *In addition to the 10 preselected potential customers, five more people were interested in what they shared. McGee greeted each one of these interested potential customers and personally collected their business cards.*
- **Decision:** *McGee then followed up the next day with a personal call to encourage a decision in the firm's favor.*
- **Action:** *As a result of this follow-up, five people decided to sign up for consultancy services.*

McGee & Partners used this data—presenting to 50 people resulted in five conversions (that is, turning prospects into clients)—to figure out how many people they need to connect to in order to get closer to their marketing goal. The industry event plus the time invested in follow-up cost approximately \$2,500. So the cost of customer acquisition is \$500 per customer (\$2,500 / 5 clients each purchasing \$5K).

Online (E-mail) Marketing Metrics

McGee & Partners measured the following metrics for their e-mail marketing strategy:

- Click-through rate (CTR): How many people clicked the signup link for the free e-book on their website and provided their email addresses
- Conversion rate: How many people signed up for their consulting services

McGee & Partners performed the following calculations based on the number of people on their e-mail list, the click-through rate, and the conversion rate to see which marketing approach is most effective to reach their sales goal of \$50K.

| Sales Goal | E-mail List | Click-through Rate | Conversion Rate | Service Sign-up Price | Total Sales |
|------------|-------------|--------------------|-----------------|-----------------------|-------------|
| \$50,000 | 10,000 | 2.80% | 2.60% | \$5,000 | \$35,000 |
| | | 280 | 7 | | |

Using E-mail Marketing Metrics (CTR and Conversion Rate) to Measure Marketing/Sales Goal

The email list of 10,000 was partially curated over time at a very low cost. Creating the e-mail, and staff time following up on it, cost approximately \$1,000. The cost of customer acquisition is approximately \$143 per customer ($\$1,000 / 7$ clients each purchasing \$5K).

The numbers are telling you a story—what is it they're saying? What strategies and tactics are most effective? Do you have the right target audience? If, after measuring the activities in your marketing/sales funnel, you find that you aren't quite meeting your goals, consider tweaking one or more of these: your product/service pricing, your marketing strategies and tactics, or even your goals.

Resource

Want more on marketing planning? Check out this [marketing plan guide from SCORE](#). It includes a list of marketing strategies and tactics and a template for calculating cost of customer acquisition.