

My First Day On the Job...and there was no marketing plan!

I remember being told, "You're responsible for producing top line revenues!" It was late October. My first day at a new job. And there was no marketing plan.

Back to Basics

Later, I found myself responsible for marketing several companies whose marketing plans were incomplete, inaccurate or inconsistent. I decided to develop a system for producing a marketing plan that made sense.

Over several years I collected the best ideas and samples that industry marketers were willing to share, then I assembled all these charts, graphs and worksheets into a logical system. I wrote a guide to go with it. I used the system in my consulting practice.

Finally, I published a text and workbook, "How to Produce & Implement a Marketing Plan."

Marketing Team

Developing a marketing plan is so critical to the success or failure of a company, the task should not be confined to just one person or even one department.

I advise my company clients to form a marketing planning team, establish monthly marketing meetings and divide the work into small manageable assignments.

This way, you can avoid the crisis environment and produce a marketing plan that is based on rational thinking and creative energy.

Planning Process

I propose the following step-by-step process for creating a marketing plan:

- Look at the trends.
- Analyze your customers.
- Know your competitors.
- Analyze your product.
- Forecast market performance.
- Set objectives and goals.
- Develop action programs and communications.
- Figure a marketing budget.
- Measure and evaluate results.
- Present your plan for approval, funding and commitment.

Trends Analysis

Remember the first Arab oil embargo and how gasoline shortages and high prices severely reduced travel in the United States? Not until then did many of us realize how an event halfway around the world could directly impact our company business.

Whether trends are macro or micro, you can project them into the future and imagine how conditions will be.

One of the keys to business survival is being able to recognize trends early and act upon them. Inside your company, look at past to present performance trends: occupancy, rate, revenues and profits.

Trends point the direction in which things are moving.

Target Marketing

Most companies cannot afford the high price of using mass media to communicate with everyone. It's really easy to waste money and not produce results. The importance of developing a company marketing plan is to avoid wasting money. Reaching the right prospect in the right place at the right time with the right message using the wrong media is still a waste of money. You have to get it ALL right to make a connection.

Customer Segmentation

To reach prospective customers most effectively, company marketers identify key customer segments in top-producing geographical feeder markets with message benefits and appeals that motivate people during the buying decision period through media that is read, watched or listened to by the desired type of customer.

Market segmentation is the process of dividing a heterogeneous market into smaller, more homogeneous customer segments for the purpose of devising a strategy to communicate with prospective customers most directly -- and therefore, most economically.

Competition Analysis

In a free market, anyone can build a company and appeal to your users.

Some company executives think if they just stay close to their customers, they don't have to worry about the competition. Fact is, you can't ignore competitors and expect to succeed.

Customers decide which companies will stay in business through a dollar voting system.

The company that does the better job of satisfying customer needs receives more dollar votes.

When companies appear to be the same, customers will search for competitive differences. They seek the greatest value for the price paid.

Your customers may know your competitors better than you do. The whole point of analyzing the competition is to see your company through the eyes of your customer.

Competitive information by itself is valueless. The power comes to those company marketers who make decisions and take action based on what they know about the competition.

Discover your competitive difference and communicate that message to your prospects.

Product & Service Evaluations

Developing a marketing plan also includes an evaluation of your product and service. You have to match product and service benefits to the needs of your customers and provide satisfaction. When conditions change, you have to adapt your company to meet customer demand.

Market Forecasting

After forecasting company supply and demand and determining your company's penetration of demand in each customer segment, objectives and goals can be set based on realities of the marketplace. Mini-plans are devised with a strategy for out-performing certain competitors to earn more than your fair share of the demand in each customer segment.

Objectives Strategies & Tactics

Tactical action steps are assigned to support the strategies which support the goals and objectives.

When a course of action is set, resources must be applied to reach the objectives. This means budgeting. People and programs, everything that moves, has a price tag on it. These are the marketing expenses, and they make it possible to implement the plan.

Without adequate funding your marketing plan is just an empty exercise.

Marketing Expenditures

Determine how much to spend on marketing and invest it wisely to generate the greatest return.

There is a direct relationship between marketing dollars invested (seeds) and the revenues generated (harvest) but you have to understand the lag time (growing season).

Measurement

Be prepared to devise a system to measure your marketing activity.

Performance is measured to make sure expectations are being met. Actual results are compared with budgets or performance standards to see how well the marketing activity is working. Marketing management is an endless process of re-examination and self-adjustment to make sure that marketing resources are effectively used to reach your goals.

Presentation

You and your team have completed the process and produced a written plan of action with costs. Now you've got to sell the plan to management and owners for approval and funding.

Present a summary what you plan to achieve and how. Ask for approval of your plan and budget.

Then, present your plan to all employees. You depend upon employees to carry out the plan with the same enthusiasm you have. Presenting your plan to all employees helps to unite them behind a single purpose. Give them the information and rewards they deserve. Ask for their commitment to support the marketing plan... wholeheartedly!

Jeff Coy, ISHC, is president of JLC Hospitality Consulting, a hospitality research & consulting firm with offices in Rochester MN. More information, call him at 507-289-7404 or email jeffcoy@jeffcoy.com.