

County of Bucks

Community Services Division

Lynn T. Bush, Executive Director and County Chief Clerk

Community and Business Development Department

Vitor A. Vicente, Director

Neshaminy Manor Center
1260 Almshouse Road
Doylestown, PA 18901

Office Hours
Monday through Friday
8 a.m. to 5 p.m.

Economic & Business Development Program

Sonia R. Smith, Administrator

Phone: 215-345-3839
Fax: 215-345-3865
E-mail: srsmith@co.bucks.pa.us

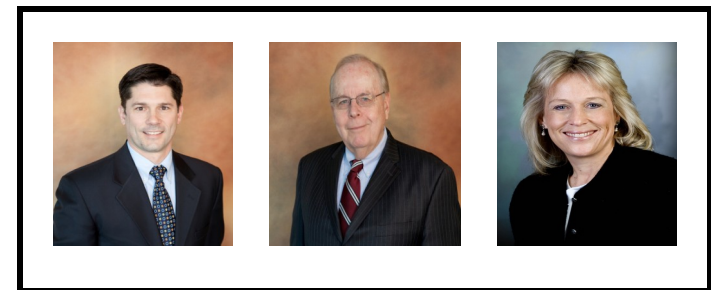
www.buckscounty.org



Preparing Your Marketing Plan

BOARD OF BUCKS COUNTY COMMISSIONERS

Charles H. Martin, *chairman*
Robert G. Loughery, *vice chairman*
Diane M. Ellis-Marseglia, LCSW



GETTING BUCKS IN BUSINESS ©

CONTENTS

The Four P's of Marketing.....3
 Product
 Price
 Promotion
 Place

Market Research.....4
 Data Sets
 Target Market/Customer Base
 Competitors
 Industry Trend Analysis

Customer Relationship Management.....6

Total Quality Management.....6

When to Update a Marketing Plan.....7

Resources.....7

Social Media.....7

Editor's Note: Your feedback can help us identify the type of information you require. Email your comments to srsmith@co.bucks.pa.us and refer to this specific publication.

rev. 02/2011

WHEN TO UPDATE A MARKETING PLAN

Update the marketing plan when you are considering the following situations:

- Starting a new business
 Whether it is a new business line, additional locations, or business acquisition
- Planning for growth
 Determine the opportunities growth provides, examine economies of scale, understand regulatory requirements
- Introduction of a new product or service
 Changing the current product/service will involve changes to the packaging, marketing, and distribution
- Entering a new market
 Whether it is geography, customers, or a new distribution channel

RESOURCES

There are other resources available in preparing a marketing plan.

Know Marketing

The website www.knowthis.com provides a comprehensive source of marketing information on the web.

Small Business Administration (SBA)

The SBA has a section on marketing at its website, www.sba.gov.

Marketing Associations

Marketing associations are valuable sources of information. Examples include the Direct Marketing Association (www.the-dma.org), American Marketing Association (www.marketingpower.com), and the Market Research Association (www.mra-net.org).

SOCIAL MEDIA

Using the internet is a relatively inexpensive way to market to your target audience. Social media includes Facebook, Twitter, LinkedIn, Blogging, Foursquare, You Tube, and other networking tools. These are some of the methods to get consumers to made decisions on your authority as an expert.

Internet marketing, or online marketing, makes use of search engine optimization (SEO), so your website appears earlier and more frequently in the search results field.



Another alternative is to search for articles in industry publications or through the internet.

Industry Trend Analysis

Obtain a comprehensive picture of the current and anticipated environment for your business, including a thorough investigation of trends and market direction, along with an analysis of economic, legal, social, and technological aspects that could influence your business and its products and services. Trade journals and trade associations provide good sources of information. Access the trade show industry portal at www.tsnn.com.

CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

It is a process of keeping track of information about your customers to produce repeat sales and increase profits. CRM is a philosophy of providing personalized service and attention. Benefits of CRM are:

- Customers remember your product/service
- Marketing costs are reduced by targeting the existing customer base
- Customers tend to increase the amount they spend
- Satisfied customers provide new referrals

TOTAL QUALITY MANAGEMENT (TQM)

TQM emphasizes the need to maintain good relationships with suppliers, customers, distributors and employees. The goal of the company, its units and its employees is a firm commitment to quality and customer satisfaction. Under TQM, everyone strives to continually work on and improve on the delivery of quality work and customer satisfaction. This philosophy is incorporated into all the business activities.



PREPARING A MARKETING PLAN

The process of marketing your business is an ongoing effort that must be continually reviewed and updated to stay current with economic conditions, as well as with changes in consumer tastes, preferences, and needs. This pamphlet provides an overview of the issues associated with developing and maintaining a sound marketing plan and strategy.

THE FOUR P'S OF MARKETING

For business start-ups, the marketing plan is part of the business plan. A key difference between the two is that the business plan covers the entire business, while the marketing plan focuses on specific products or services. An established business should have a separate strategic document that deals with marketing issues. Regardless of your company's growth stage, there are four elements that any good marketing plan should have to describe the goods and services you are selling, known as the Four P's of Marketing.



Product

Provide a description of your product/service. Explain what makes your product or service unique and how it differs from your competitors.

Price

Describe your pricing objectives and the methods to determine the wholesale and retail pricing structure. Research what your potential customers are willing to pay and if they have the funds available to pay immediately, or if you will provide credit terms. Determine whether you will provide discounts and allowances, and if seasonality is a pricing factor.

Promotion

No matter how good your product/service is, and the bargain it sells for, if no one knows that it exists, you will have no sales. Develop an effective strategy that will translate into sales. Examine activities such as:

- Advertising
- Public Relations/Publicity
- Trade and Business Shows
- Website
- Salespeople

The difference between advertising and public relations is that **advertising** informs, educates, persuades, and reminds the customer of the product while **public relations** indirectly promotes the image and reputation of the product.

Place

The product needs an adequate distribution system. The right distribution system will depend on a variety of factors, including the type of product or service, distribution channels available, and the behavior of potential customers. Distribution channels to consider making the product easier to purchase are:

- Retail or wholesale outlets
- Catalog/mail order
- Telemarketing
- Salesforce
- E-commerce

The placement decision impacts profit margins, marketing budgets, retail price, and sales management.



MARKET RESEARCH

Market research is an organized process for collecting and analyzing data about potential customers, competitors, and your industry.

Market research is conducted in a variety of ways.

Data Sets

Primary data is acquired first-hand and is more expensive to gather. Common methods of collecting primary data include phone or mail surveys, personal interviews, and focus groups to gather specific information from potential customers.

Secondary data involves information that was gathered by another source, such as the Census. This type of data is available in a published form and is more economical to gather.

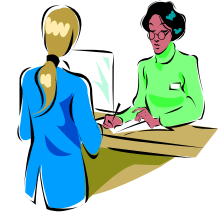
Target Market/Customer Base

Determining and defining the product/service market is the difference between success and failure. The target market is any person or group that could buy your product/service. Manufacturers should examine the target market of “channel buyers” (buyers between the manufacturer and the end user). Evaluate the opportunities retailers/distributors will have to purchase and sell your product.

Once you identify your potential customers, break them down into more specific categories, or segments. Segments help define and describe your customers' needs and habits.

• Demographics

Define the different characteristics of your target market in such terms as age, gender, income, purchasing power, education, profession, and buying habits. The Census provides access to demographic data, including social, economic, and housing characteristics at the state, county, and city level. Access the Census website at www.census.gov. The Bureau of Labor Statistics' website, www.bls.gov provides you with information on labor, employment, earnings, and consumer expenditures. The website www.fedstats.gov is a gateway to statistics from over 100 U.S. federal agencies.



• Psychographics

Refers to personality and emotionally-based behaviors linked to product/service purchase. They help identify the different traits of your potential customers in terms of lifestyle, hobbies, interests, and any other pertinent characteristics. The psychographic characteristics will influence what types of products and services individuals in your target market will buy. There are a number of private information sources that can help gather the data you need.

Competitors

Competition for products/services exists on three levels:

- Specific brand in your geographical area which is interchangeable with your product/service.
- Similar product in a different brand category or located further geographically.
- Competitor for the “same-occasion” dollars.

Identify your competition and attain information related to their business operations, strengths and weaknesses, pricing and promotional strategies, distribution channels, and market share. You may find it hard to obtain the information you need. Often, the only way to gather information about your competition is by visiting them or purchasing their product/service.