



# Step-By-Step Guide to Building a Marketing Plan

KapConsultants

By Sean Doyle and Martin McDermott

*AB/MT219: Marketing*

6/20/2012

## **Marketing Plan Manual**

The marketing plan is an integral part of an organizations' strategy for success. The overall goal of a Marketing Plan is to ensure the business will be profitable. The marketing planning process involves building a strategy for getting products and services to market in a meaningful, cost effective, and profitable way. This manual provides an outline of a basic Marketing Plan, using a descriptive format to guide the development of your final project. Pay close attention to the layout of the marketing plan outline. You will need to format your marketing plan using the same format.

Marketing is an all-encompassing discipline, and quite literally, affects every aspect of a business. In fact, marketing has a profound impact on society as a whole, and the life of every individual. For this reason, learning the fundamentals of marketing and how to develop a basic marketing plan is essential to your success as a business professional and savvy consumer. The marketing planning process consists of a set of activities centred on delivering a quality product or service, intended to meet customer needs, wants, and desires while earning a reasonable amount of profit for the company. At the most basic level, these marketing planning activities include: conducting in-depth market research, product development, distribution strategy, promotional strategy, and pricing strategy.

## HOW TO USE THIS MANUAL

Before you read and use this marketing plan manual, consider the following:

1. **Conduct your research:** Identify the company you will study. The company should be one that you are interested in learning more about. Use the company website, Kaplan University Library, and other viable resources to find as much information on the company as possible. By having the information at hand, the development of the marketing plan becomes less intimidating.
2. **Putting the plan together:** You will be required to develop parts of the plan on your own throughout the course.
3. **Know your audience:** Who are you writing this marketing plan for and what is the information needed? By knowing the purpose of the marketing plan, you can develop targeted answers.
4. **Develop, Review, Revise, & Move on:** The development of a marketing plan is a creative process. Do not try to finish the marketing plan all at once, and if you get stuck, move on. You will need to review and revise this document several times before it is complete, especially as you learn more about the fundamentals of marketing throughout the term.
5. **Use the marketing plan manual:** This manual was developed to help guide your learning. It contains guidance on what information should be included, the headings, etc... Be sure to use subheadings as shown throughout the manual to discuss specific topics.
6. **Communication is key:** If you have any questions, contact your instructor immediately. You are not alone in this learning journey!
7. **APA Style Referencing:** A professional marketing plan is not formatted in APA style. However, you are required to properly cite your references on the reference page, and to provide in-text citations where appropriate.
8. **Using Graphics:** All KapConsultants' clients have logos, graphics on their websites, etc... To be in compliance with APA style formatting, you will need to properly cite any graphics you use in your marketing plan.
9. **Use the tutorials: Basic Marketing Plan tutorials by section.**
  - **Section I. The Business:** {[Click Here](#)}
  - **Section II. The Marketing Environment:** {[Click Here](#)}
  - **Section III. The Customer:** {[Click Here](#)}
  - **Section IV. Marketing Strategy- Product:** {[Click Here](#)}
  - **Section IV. Marketing Strategy- Place:** {[Click Here](#)}
  - **Section IV. Marketing Strategy- Promotion:** {[Click Here](#)}
  - **Section IV. Marketing Strategy- Price:** {[Click Here](#)}

**Disclaimer:** The organization and characters depicted in this exercise are fictional. Any resemblance to real organizations or individuals is purely coincidental.

## **SECTION I. THE BUSINESS**

*(Suggested Page Limit: 2 pages)*

### **Company Description**

Write a brief paragraph that answers the following questions. (**This should not be in Question/Answer Format**).

- What is the company you chose to study?
- Where is the company headquarters located?
- Identify the business unit (specific location) of the company you are studying.
- What brand of the company will you be studying? Is it an existing or a new brand you are proposing?

### **Business Mission**

What is the mission statement of the company you chose to study? It is usually found on the company website. If it is a public company, you may have to check the investor relations documents. If it is a private company, and the information is not on the website, you may have to contact the company directly.

### **Company Values**

Identify the values and ethical principles that guide the company. This information can be found on the company website or in the investor relations documents. If not readily accessible, you may need to contact the company directly.

### **Unique Selling Proposition**

Identifying the unique selling proposition is a process. Restate the brand you will study, or discuss the new brand you are proposing for your new product idea. To begin developing your Unique Selling Proposition, follow the following steps:

1. Simply describe the idea you are proposing to the KapConsultants' client. Discuss the purpose of the product, and why you think the company and customers would benefit from the new product. How is your product unique in the market?
2. What makes your product stand out from your competition?
3. Make your selling points here! Make your statements in this section powerful and persuasive. Create a powerful slogan that will distinguish your product from the competition in the marketplace.
4. Ultimately, your Unique Selling Proposition is going to tell the KapConsultants' client why they should invest in this new product idea. Tell the story of the message you are trying to deliver!
5. You will need to modify this as you build your marketing plan and learn new information about the environment, customer, etc...

### **Global Vision**

Write a brief global vision statement for your product. This statement should be no more than three sentences, and should fit the company vision statement.

**Disclaimer:** The organization and characters depicted in this exercise are fictional. Any resemblance to real organizations or individuals is purely coincidental.

## SECTION II. THE MARKETING ENVIRONMENT

*(Suggested Page Limit: 2 pages)*

Identify the geographic markets in which you will launch your marketing campaign for your new product idea. Conduct research on the external environmental factors that could affect the company, the brand, and the new product idea in the marketplace. Identify opportunities and threats related to each of the external environmental factors: a) Social, b), Demographic c) Economic, d) Technological e) Political, and f) Competitive. How will this information benefit the company?

**Social Environment:** Identify the social characteristics of the external environment. Although the social environment changes rapidly and it's difficult to influence, these characteristics are an opportunity or threat to your product in the marketplace.

**Demographic Environment:** Identify the demographic characteristics of the external environment. The demographic environment consists of age, race, and ethnicity. Although the demographic environment is uncontrollable, these characteristics are an opportunity or a threat for your product in the marketplace.

**Economic Environment:** Identify the economic characteristics of the external environment. Although the economic environment is uncontrollable, these characteristics are an opportunity or threat to your product in the marketplace.

**Technological Environment:** Identify the technological characteristics of the external environment. Although advancements or changes in the technological environment are uncontrollable, these characteristics are an opportunity or threat to your product in the marketplace. Remember, technology isn't only digital; it is any means of innovation that may affect your business.

**Political Environment:** Identify the political or legislative opportunities and threats to your product in the external environment.

**Competitive Environment:** Identify the domestic and global competition in the marketplace. Describe the direct competitors of your new product idea. Direct competitors are those companies that have the same product you are developing, and they will likely have the same target market. Discuss how your product is different and the opportunity for it to do well against the competitors in the marketplace. Discuss the threat of direct competitors to your new product idea. Discuss indirect competitors. Indirect competitors are those hard to detect competitors that have a similar product, and they just want a piece of the market. They may not have the same target market in mind, but their product is so similar that it may attract some of your potential customers.

### SECTION III. THE CUSTOMER

*(Suggested Page Limit: 2 pages)*

#### Customers

Discuss the cultural, social, individual, and psychological factors that would influence consumer buying decisions for your new product idea. Based on these factors, describe the type of consumer that will purchase this product. The description of the type of customer should help you identify the segmentation variables and descriptors to use in creating a segmentation profile or profiles.

#### Market Segmentation

Describe why and how you identified the segmentation variables you will use to create your market segmentation profile or profiles. Not all segmentation variables (geographic, demographic, psychographic, benefit and usage rate) must be used to create a segmentation profile. Only use the most relevant segmentation variables and descriptors that pertain to your new product idea. **Build at least one market profile for your new product idea.** For each segmentation profile you develop (the number of profiles you will need to develop is based on your target market strategy), identify the segmentation descriptors that coincide with each segmentation variable.

#### Target Market

Identify your target market strategy (Undifferentiated, Concentrated, or Multisegmented), and provide reasoning for your choice. Discuss how your segment profile or profiles will be used in your target marketing strategy.

#### Positioning Strategy

Discuss where your product lives in the mind of your consumer. What perception of this product should your customer have? Where does your product fit in the marketplace against the competition? Is it a high quality product? Is it a Competitive product? Is it a Budget product? In what way does your product compare to the competition? Most importantly, why should the consumer choose your product over the competition?

## SECTION IV. MARKETING STRATEGY

### Product

*(Suggested Page Limit: 2 pages)*

How did you come up with the idea for this new product idea? Is a product item or product line you are proposing? Provide a brief summary of the Unique Selling Proposition you identified in Section I. Outline the new product development process if your product is accepted and approved beyond the idea-screening phase of the new product development process. Introduce your discussion on each of the following “Product” sub-sections.

**Product description:** Provide a brief description of the product. What is the meaning behind the name of your product? This is where you need to be very detailed about the purpose of the product. You have already introduced the idea, but what is the product used for, and is it a substitute for something else?

**Brand:** What is the brand? Are you creating a new brand, or using an existing brand? Describe the brand. What is the meaning behind the name and image of the brand? Explain the logo. Is there a trademark or is a new one needed? Is their brand equity? If not, how do you plan to build it?

**Product classification:** Is your product a consumer product, industrial product, or a business product? Is your product a good or a service? Identify the type of consumer product and describe it thoroughly (Convenience, Shopper, Specialty, Unsought).

**Product features and benefits:** Identify the most important features and benefits of the product that differentiate the product in the marketplace. Describe the category of adopter that would be attracted to purchase the product. How does it affect the life of the consumer or efficiency of the business?

**Packaging:** Describe the type of packaging your product will require, and discuss the labeling. Identify the unique characteristics for the packaging and labeling that will make your product standout.

**Product warranties:** Discuss the type of warranty that will be associated with your product.

**Service characteristics:** If your product is a service, or involves service, discuss the unique characteristics of your service. This discussion should include intangibility, inseparability, heterogeneity, and perishability. Discuss how you plan to maintain service quality.

**Relationship marketing strategy:** If your product is a service, discuss the relationship marketing strategy you would intend to employ in building customer relationships.

**Product lifecycle:** Discuss how you intend to build awareness of the product during the introductory stage of the product lifecycle. Outline a plan for taking your new product idea from the introductory stage to the growth stage in the product lifecycle.

**Disclaimer:** The organization and characters depicted in this exercise are fictional. Any resemblance to real organizations or individuals is purely coincidental.

**Place (Distribution)**  
(Suggested Page Limit: 2 pages)

It may be easy to understand how supply chain management works just from reading, but you may still not appreciate the scope of distribution channels. This exercise will help you see for yourself how deep and complex a single distribution channel is. Then, when you think of the number of products and services available on the market at any one time, you will understand how tremendous the national (and international) distribution network actually is.

**Marketing channels:** Describe the marketing channel required to launch your new product successfully into the marketplace. Discuss how your marketing channels will assist in the achievement of reaching the growth stage of the product life cycle. Who are the players involved? Be sure to name the players involved (Marketing intermediaries). Provide reasoning.

**Channel structure:** Create a graph depicting the channel structure you suggested in the previous paragraph. The following is an example:



**Distribution intensity:** Discuss the type of distribution intensity suits your new product idea (Intensive, Selective, and Exclusive). Provide reasoning.

**Supply chain management:** Discuss the key processes of supply chain management as it pertains to your new product idea. How do they relate to the distribution of your product? Why are these processes important to the success of your new product idea in the marketplace?

**Managing logistics:** Discuss the sourcing and procurement of materials, production scheduling, order processing, inventory control systems, warehousing requirements, etc...



## Promotion

*(Suggested Page Limit: 2 pages)*

**Promotional Strategy:** Describe the type of promotional strategy your product requires by identifying which of the promotional mix elements you will use to reach your customers and build customer relationships. Discuss how your promotional strategy will lead your product into developing competitive advantages in the marketplace. Discuss the communication process and the goals and tasks of promotion, as related to your new product idea.

**Promotional Goals:** Discuss the promotional goal of your new product idea and how the AIDA concept may be used to reach your promotional goals.

**Factors Affecting the Promotion Mix:** Identify and introduce each of the factors that may affect the promotion mix for your new product idea. Then, discuss each factor using the following subheadings.

**Product Lifecycle.** Discuss how promotion will be used throughout the stages in the product lifecycle.

**Target Market Characteristics.** Discuss the characteristics of the target market that may affect your promotional mix.

**Push or Pull strategy.** Determine the type of strategy that will be used to promote your new product idea.

**Integrated Marketing Communications:** Discuss how integrated marketing communications will be used to promote your new product idea.

**Advertising:** Detail the type of advertising that will be used to promote your new product idea.

**Public Relations:** Detail the type of public relations that will be used to promote your new product idea.

**Sales Promotion:** Detail the type of sales promotion that will be used to promote your new product idea.

**Personal Selling:** Detail the type of personal selling that will be used to promote your new product idea.

## **Pricing**

*(Suggested Page Limit: 2 pages)*

**Pricing objectives:** Identify pricing objectives that will be used to set the price for your new product idea (Profit Oriented, Sales Oriented, and Status Quo). Provide reasoning for each objective you identify.

**Determinants of Pricing:** Discuss the determinants of pricing for your new product idea. Discuss how demand, costs, distribution, promotion, perceived quality, consumer needs, the internet, and the product life cycle stage can influence the pricing for your new product idea.

**Pricing strategy:** Identify the type of pricing strategy that will be used to set the price for your new product idea. Describe how the pricing strategy will behave over the product lifecycle. Describe the procedure you will use to set the right price.

**Ethical and legal considerations related to price:** Discuss any ethical consideration relative to your pricing strategy.

**Base Price:** What is the base price for your product? Provide reasoning. Describe if you will use sales promotions to lower the base price, and the types that you will propose that can make an immediate impact on consumer interest in your new product idea. Describe any type of pricing tactics that you will propose as a means to capture market share and raise awareness of your new product idea.

**Pricing Contingency Plan:** Because the economy is prone to inflation and recessionary periods, it is necessary for companies to develop a contingency plan to adjust to economic trends. Develop a preliminary plan to counter and/or adjust to inflationary and recessionary risks (Review pages 332-334 in MKTG 5, 2012).

### References

Lamb, C. W., Hair, J. F., & McDaniel, C. (2012). *MKTG5*. Mason, OH: South-Western, Cengage Learning.