



Outline of a Basic Marketing Plan

By Carol Ann Waugh

Everyone knows that creating a marketing plan is an important element to the overall success of a company or a new product introduction. But what exactly is a marketing plan, and what elements should a comprehensive plan include? Here is an outline for a basic marketing plan for a publishing company.

Section I: Background

Discuss the recent history of the company, its products and services, staffing, etc. Writing this section gives you a historic look at where you've been and what initiatives have been established during the last few years. Some examples of major events would include the hiring of a sales staff, the establishment of a new distribution system, major increase in marketing budget, major new product introductions, newly established joint ventures, and creation of company web site.

Section II: Revenue History and Forecast

Develop a chart that depicts revenues for the last five years and projections for the next two years. Segment by market niche, if possible. Add marketing expenditures, expenditures as a percentage of gross sales, and pre-tax company profit. This section will give you a good understanding of your company's past performance as it relates to your marketing investments. This section should be as detailed as possible because as you work with the numbers, various strategies will be suggested for the future. An example of this would be the realization that sales to a particular market are growing at a faster rate than other markets and yet has received very little marketing investment. Therefore, a strategy might be to increase the marketing investment in this segment.

Section III: Strategic Issues

Describe the current business environment, internal and external issues that are or could affect next year's business. This section covers important factors that place limits on the marketing plan or detail opportunities that should be exploited in the coming year, such as a major new product introduction, a new competitor, industry consolidation or expansion, a new distribution outlet, or major changes in industry pricing.

Section IV: Competition

Prepare a detailed analysis of competitors, including strengths and weaknesses. This section should include an overall competitive analysis: How you "stack up" as well as complete profiles of your top five competitors. You should try to assess your company's market share as well as the competition's.

Section V: Pricing

Discuss past pricing trends and next year's pricing strategies. This section should tie in with your analysis of the competition and the industry as a whole. You should also include your strategy for how you want to be viewed in the marketplace - "Low-Price Provider" vs. "High-Price/High-Quality Provider."

Section VI: Positioning Statement

Considering all the information above, describe the company's positioning for the next year. This positioning statement should be one sentence long. It should be something that can be used as a tag line on your advertising and promotion and something that your sales staff can say quickly and concisely. An example would be "XYZ Publishing Company: Calendars and Books for Outdoor Enthusiasts."

Section VII: Marketing Objectives

Define three or four measurable overall objectives. Usually, it is impossible to accomplish more than three to four major objectives in a given year. It's important to keep your eye on the ball, and these objectives should represent the keys for growing your business. They should be easily measurable on a monthly basis, and you should have specific reports that measure each. An example of such an objective would be to increase revenues by 10 percent.

Section VIII: Marketing Strategies

Discuss the strategies you will use to achieve the above objectives. The difference between an objective and a strategy is that the objective states what you will do and a strategy states how you will do it. For instance, there are several strategies that could accomplish the objective of growing revenues by 10 percent: You could increase the number of customers, increase the average dollar order, increase pricing, enter a new market, hire more sales people, increase the number of catalogs and mailings, etc. Your mission here is to choose the strategies that fit your company and your products.

Section IX: Marketing Budget

Develop a chart that shows the marketing and sales expenditures of the past three years as well as your forecast for the coming year. This section should be broken out by specific marketing channel: catalogs, direct mail, publicity, exhibits, advertising, sales force, collateral materials, web site, etc. You should also analyze the results. How much business resulted from your investment in direct mail? Some channels will be easier to measure than others, but you should try to attribute as

much as possible to get a clear picture of how the allocation of your marketing resources affects the outcome.

Section X: Marketing Channels

Write an overview of each channel included in the previous section. Set objectives and strategies, and be specific about how you will allocate the budget within each channel.

Section XI: Monthly Calendar and Expenses

Develop a chart that shows every activity and expense for every month and a total for the year.

Summary

Creating a written marketing plan is only the first step to improved sales. Once completed, this plan should be shared with the entire company so that everyone understands the strategies and why resources are being allocated the way they are. Everyone in the company should have some input into the plan and be involved in the measurement or execution of the plan.

But perhaps the most important reason to have a yearly, written marketing plan is that it becomes an important tool for improving your plan year after year. The essence of marketing is to do more of what works and less of what doesn't. Without having clearly established and measurable strategies, you will never learn from your successes and failures.

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