

What is a Marketing Plan?

Marketing Plans are the foundation of every business. They determine how a company is positioned relative to its competition, how it is valued, and how its customers relate to it. Clearly a marketing plan is a strategic cornerstone of every business. That having been said, there is not a widespread understanding of what a marketing plan is, or how to design one.

Everyone needs a marketing plan; we build and maintain them for a living. However, surprisingly few executives can actually define a marketing plan when asked. This is a primer to help establish a basis for understanding how marketing works in a modern firm, and how organizations are evolving to accomplish their strategic marketing needs while accommodating their overhead budget constraints.

The state of marketing today, in the receding shadow of the Internet bubble, is remarkably similar to the state of IT (information technology) deployment in the early 1990's when the seeds of the Internet were germinating. Some readers may recall that IT spending at that time was not coordinated (there was no such creature as a CIO), projects were implemented only after a breakdown of the existing processes, and spending was almost entirely ad hoc based on short term budgets to placate individual departments with little thought to the overall objectives of the firm.

Today we see companies of all sizes who have pretty much forgotten that marketing is about planning, and are focused simply on sales tools, tradeshow, and websites. Now we make pretty good money as consultants on sales tools, tradeshow, and websites; but it's a bit like selling sandbags to Noah. The client feels good, and will probably remain a good client up until the point that they can no longer pay their bills or simply disappear under the waves of competition.

If we explore the analogy to the growth of the IT market we find another parallel. Marketing tools, like IT tools in the early 90's, have gotten remarkably better and cheaper. Yet businesses still rely on a patchwork of solutions for "marketing" problems just as they did for IT problems. The marketing toolbox has grown rapidly at precisely the time when companies have had to eliminate strategic marketing planning from their budgets. The result is the sort of makeshift marketing that does nothing to further the strategic goals of the company, and is ultimately confusing to the company's constituencies of customers, investors, and community.

Just as the CIO position evolved from the pool of adept and strategically adroit technologists; so is the marketing executive position evolving to fit the needs of modern businesses. The modern marketing executive may not be a full time position, but is a permanent part of the executive staff of the small to midsized firm. Consulting firms have adapted to this model, many offer outsourced executive support for about a third of the cost of a fulltime exec.

So how do we build a Marketing Plan? Even if we agree on a concise definition of "Marketing Plan", we can still ask, "What is a marketing plan?" Or more directly, "What is *in* a marketing plan?"

Marketing Plan: A marketing plan is a long-term roadmap of strategic and tactical objectives that results in a positioning of the client company and its products in support of its overall objective.

Long-term: In the marketing sense, long term means 3-6 times the sales cycle of the product or 1-2 times the development cycle of the product or service offer. In terms of the calendar, the marketing long-term is at least 3-5 quarters, and at most 3 years.

Strategic objectives: Strategic objectives are those that set the stage for the execution of tactical objectives. With strategic objectives, one tries to manipulate or create the environment in which the product or service will be sold.

Tactical objectives: Tactical objectives are tangible, measurable tasks that have to be accomplished to further the strategic objectives. An example of a tactical objective is the orchestration and completion (within budget) of a trade show exhibit that gathers 50 new qualified sales leads, 2 press interviews, and is coordinated with an executive speaking engagement, print and web advertising, and industry press coverage.

Overall objective: Generally the firm's overall objective is the creation of stakeholder value. Sometimes the focus is on investors, customer acquisition, customer retention, or damage control. The objective of the firm's marketing plan may change, and is generally redirected toward value creation over the long term.

The marketing plan elements include budgeting and project planning for:

1. Tradeshows, expos, and conferences
 - a. Exhibits
 - b. Sponsorships
 - c. Press events
2. Press releases
3. Web advertising
 - a. Website
 - b. Email Newsletters
 - c. Search engine paid placement advertising (e.g. Google, Overture)
4. Print advertising
 - a. Ad messaging and layout
 - b. Industry trade journals ad placement
5. Press editorial coverage
 - a. Interviews
 - b. "Expert" profile maintenance for journalism sources
6. Analyst and investor presentations
7. Speaking and writing opportunity sourcing and management
8. Ongoing sales tool development and revision
 - a. Brochures
 - b. Sales slicks
 - c. Case studies
 - d. Application notes
 - e. Customer testimonials
 - f. Annual report (non financial writing)
 - g. Consistency of message across all external communications
9. Website annual plan for inclusion of new "fresh" content

The above non-exhaustive list is sometimes called the "Marketing Mix". Like the list of ingredients for a cake, it may be complete but is not usable without the knowledge of how to blend it all together. Notice the list doesn't include sales. The marketing plan creates the environment in which a sales effort can be successful, but don't confuse the marketing plan with the sales (booking) plan. Sales organizations have a time horizon that is only 1-2 times the sales cycle, and depend on the marketing function to "get it right" so that they can make their numbers. Meshing the marketing plan together with the sales plan is pretty complicated, and hence not generally left to the tactical levels of the organization, and certainly never left to chance.

More important than the marketing mix is the strategic element behind the marketing plan. A well-designed marketing plan will provide a timeline of tactical objectives, coordinated with other internal and external events (product launches, changing legal environments, etc.) that help the firm reach its overall objective. All of this must be coordinated within the context of the company's competencies, customers, and community.

Without a solid reasoning behind the tactical components of a marketing plan, all of the time and money spent on marketing is simply wasted. Not surprisingly, this is how most companies do their marketing today. Fortunately the expertise to craft a strategic marketing plan has not yet become extinct; there are thousands of marketing consultants available, some are extremely good, some less so. Most understand that marketing planning is more than a \$99 piece of boilerplate software and a PowerPoint show.

All marketing plans are strategic. They require the support, consent, and commitment of management at all levels, and must be viewed as furthering the interests of the customer. Falling short of this, a poorly executed marketing mix is simply a waste of money, and results in some predictably bad outcomes. Successful companies of all sizes are now reexamining the way they look at marketing, and we are seeing a gradual resurgence in strategic marketing expenditure from companies inspired by the current economic environment.