

# Marketing Unit

*(Part of the Standard Question and Answer Business Plan)*

## **SWOT Analysis**

### **Strengths**

- What personal strengths do you bring to the marketing of a venture?
- What are the strengths of your overall marketing strategy?
- What are the superior qualities of your product / service?
- Who is directing your marketing programs?
  - What are their success records?
- Do you have a good balance in your promotional mix?
- Why should anyone purchase from you instead of from others?
- How does your price compare?

### **Weaknesses**

- Do you have any shortcomings in your staffing?
- Is your forecasting inadequate or under-funded?
- Where are the weaknesses in the available marketing data?
- Are you depending too much on word-of-mouth advertising?
- Are your financial resources sufficient to conduct an effective marketing campaign?

### **Opportunities**

- What problems exist in the market which you can turn into opportunities?
- Why are you launching your venture at this time?
- What advantages are to you?
- What about your timing for this launch?

### **Threats**

- What are the disadvantages or challenges to your launch?
- From where do threats come?
- How will adverse changes in economic conditions affect your venture?

## **Scenarios**

**What is the Best Possible expectation in terms of:**

- Sales volume?

- Enquiries, traffic or prospects?
- Market share?

**What is the most probable expectation in terms of:**

- Sales volume?
- Enquiries, traffic or prospects?
- Market share?

**What are the worst expectations in terms of:**

- Sales volume?
- Enquiries, traffic or prospects?
- Market share?

What are your contingency plans?

**Description of Industry You are About to Enter**

(This is an expansion of topic in Overview Unit)

- Are you entering a growth industry?
- Is the industry nearing its peak of growth - maturity?
- If it is a stable industry, is some organization leaving or about to leave?
- Is the industry in a state of decline?
- Who is in the market now? How many? Where?
- Who are the major players in the market and do they engage in protectionism?
- What market share do the existing marketers have? How well are they doing?
- Which players are vulnerable?
- What is the size (sales volume, number of competitors, etc.) of the industry?
- What are the trends (sales volume, number of competitors, etc.) in the industry?
- What are the current distribution techniques?

## Marketing Strategy

- What basic human needs are you satisfying?
- What is the balance and interrelationship of the 4 P's - Product, Promotion, Place and Price?
- How is the product/service defined?
- How is it similar to others offered in your target market area?
- How does it differ ("product differential") from others?
- Does the competition specialize? Or offer variety? Or does the competition cater to mass market?
- On price, what is the average selling price for similar products?
- What is the average product markup? What is average product margin?
- Will your costs allow for similar margins with a competitive price?
- What are the specific volume & discount practices of your competitors?
- Are you entering the market because:
  - there is a totally unfilled need, or
  - the market is expanding, or
  - you are meeting changes in lifestyle in your community, or
  - existing suppliers are inadequately serving a need, or
  - you have proprietary access to a new technology or
  - a combination of the above?
- What is your strategy based on?
  - Doing it smarter, classier, with more style, or with more features, providing more service, doing it faster, treating customers more (than existing marketers) like people by considering their needs first, by being unique, or changing from the traditional arena?
- What are the market shares of competitors?
- How recognizable are the competition's names?

- What are the common basic elements of the leaders in your industry?
- Can you draw a "picture" of your positioning in relation to your competitors?

## **Marketing Research**

(Testing **the way you are going to market** a product or service.)

- Do you have a budget for research?
- Will you consider including data details in your Appendix?
- Will describe how you will conduct further research?

### **Primary Research**

- Did you approach a network of friends and associates to use for your test marketing?
- Was there a person or group of persons that possess a body of knowledge that would equal or surpass anything you could gather in a costly survey?
- Were you able to conduct observations such as traffic counts and/or comparison shopping?
- Did your testing help refine your research document?
- Have you interviewed strangers to test your concept and its acceptance?
  - Did you believe the responses from strangers were truthful and not telling you what you expected to hear?
  - Did you ask what is an acceptable price range?
  - Did you gather and use market information for inclusion in your market research section?
- Have you discovered a geographic growth area within a stable industry?
- Did your results confirm your hunches or did they cause you to modify your original plans?
- Have you consulted an expert or a text on sampling methods?
- Were you able to gather research during the selling of your product by a direct one-to-one approach?
- Will you start small and continue to test, test, test?

## **Secondary Research**

- Have you exhausted all the search words and search engine results on the internet?
- Have you summarized statistics from various levels of governments, planning offices and associations?
- Have you searched relevant magazines, trade journals and libraries?
- Have you been able to identify a segment where you can thrive and prosper?
- Have you been able to determine in what stage of the life-cycle the existing marketers are in?
- Does your research identify the market opportunities to be exploited by your strengths and weaknesses?

## **Market Research**

(Learning about the **marketplace** in which you will be selling your product or service.)

### **Primary Research**

- Are you organizing your research according to your target markets (see below)?
- Are you able to visit typical areas of your target markets?
- Did you include observations in your research?

### **Secondary Research**

- Do you have or have access to data from a previous experience or venture?
- Does your research include descriptions of the market area?
- Does it include descriptions of the market size, trends, demographics and psychographics?
- Do your demographics sort people in your market area by age, sex, marital status, size of household, income, education, socio-economic class, residence type, religion and politics?
- Do your psychographics sort people in your market area by type of work, housing, buying habits, dreams, vacations and ambitions?

- Does it combine demographic (population) data and psychographic (picture of a life-style) data?
- Is your data sufficient to define your first customer profile?
- Were you able to identify heavy users of your product/service?
- Are you able to find, at least, preliminary evidence of possible targets?

## **Market Description**

- Can you describe your market in geographical, demographic, socio-economic or other terms?
- Can you provide data on population, number of competitors, and economic conditions.
- Do you outline trends in sales patterns, lifestyle changes, population growth, etc.?
- Can you place your competitors on a Product Life Cycle graph?

## **Market Segmentation**

- Can your customers be grouped into relatively homogeneous groups?
- Is your segmenting based on data gathered by market research?
- Are your segments based on shared demographic and/or lifestyle characteristics?

## **Positioning**

- How can your prospective customers perceive your product in relation to others available?
- What are the existing perceptions about products in your industry?
- Does your product differential determine your positioning?
- Does the marketplace suggest your positioning strategy?

## **Targeting**

- Can you put a "face" to your demographics OR visualize a typical prospect?

- Can you describe your most typical client?
  - Are the age, gender, education, disposable income dimensions applicable for your venture?
  - What media does your target read, watch or listen to and when?
  - What kind of car does your target drive, what kind of food do they eat, what do they drink?
- What about your target's spouse, relationship to children, type of entertainment, education, etc. ?
- Is your target a believer or an experimenter?
- As you add items, does your focus become more clear?
- Do you think this is your true (prime) market?
- Can you describe your next most typical client and so on?
- Did you refer to your segmenting and positioning strategies?
- How many different targets do you have?
- Who and how many are your secondary targets?
- Did you find your ability to do this difficult task improved with each attempt?
- How will you locate the Invisible Target (those who show up after you start your business)?
- What indicators will give you insight into consumer behavior?
- How does your target like to receive your product/service (size, freshness, quality, price, credit, convenience, etc.?)
- How do others (especially media) aim at your target customer?
- Can you use data to draw a circle around (cluster) your target?
- Are your targets clustered geographically, by certain events, interests, etc?
- Are your clusters large enough to support your enterprise?
- What are the results from interviewing a small sample?
- How about a contrast with a target unlike yours?

## **Product**

- Do you have a clear succinct description of your product or service?
- Will it fit on a single line on your business card?
- Do you have expandable or supplemental versions for different occasions?
- What are the unique aspects of your product or service?
- Does your description distinguish your product from those of other suppliers?
- Have you a clear statement for your product differential (how it differs from all others?)
- If more than one, do you have sets that are clearly understood by any consumer?

## **Promotion Strategy**

- Do you know what types of media will be used & to what extent?
- Do you have tactics for frequency - pulsing, continuity?

## **Budgets**

- Do you have a promotional budget?
- Will it be based on % of Sales, % of Profit, or by criteria?
- Is your annual budget divided into quarters, months or weeks?
- What is your budget control system?

## **Advertising**

- Do you intend to use paid media?
  - What plans do you have for using your head instead of your checkbook?
  - Through which media does the competition advertise?
  - What are the average advertising expenditures in your industry?
  - What is your approximate advertising budget?
  - What is the budgeting and allocation rationale?

- What is your ad schedule?
- Are there prospects for cooperative advertising?
- Will you use all or some print media: newspapers, magazines, brochures, posters, calendars or other novelties?
- Will you use the electronic media of radio or TV?
- Will you advertise on the internet?
- If you use direct mail will it be addressed or unaddressed? How do you plan to build a mailing list?
- Will you use personal telephone (calling & answering) or telemarketing?
- Will you display at trade shows?
- What importance will be placed on point-of-purchase displays?
- Will you have an opportunity for working visibility such as signage while working or displaying your workshop?
- Will your location provide visibility opportunities?
- Will you use catalogs?

## **Sales Promotion**

- Will you offer dealer premiums?
- Will you issue discount coupons?
- Will you distribute samples of your product?
- Will you place coupons in other products?
- Will your promotions be used to introduce new products or attract new customers?
- Will your promotions be used to stimulate off-season sales?
- Will your promotions be used to induce present customers to buy more?

## **Sales Methods**

- What selling methods will be employed?
- How will these be taught and supervised for others on staff?
- Will you use your own salespersons or sales agents?
- Will you be selling directly to the consumer?
- Will the customer come to your location?

## **Personal Selling**

- Do you have tactics for prospecting for prospective customers?
- Do you have a prepared sales presentation?
- What are your salary and commission arrangements?
- What incentives do you have for your salespersons?
- What incentives do you have for your customers?

## **Public Relations**

- Why would PR enhance your sales?
- What media will you use?
- What messages will be best suited for communicating with articles or interviews?
- Are you a skilled writer or do you have access to one?
- Is your visible presence during networking events of value?

## **Message**

- Can you take advantage of piggybacking (big players build the market – you tell them where to buy it) in your copy?
- Do you have message themes? Do you have samples to present in your plan?

- What messages do you have for specific threats and opportunities?
- Do you have detailed analysis of the available media which considers; cost, cost effectiveness, reaching your target, matching your image, frequency, reach, etc.

### **Media Selection**

- Have you listed all media available to you?
- Have you selected media for your primary and secondary testing?
- Preferred placement?

### **Media Distribution**

- Can you find an effective medium that serves your target market only?
- Will you be required to pay for distribution beyond your target market?
- Will the media distribution be compatible with your delivery schedules?

### **Sales Forecast**

- Will you ensure that all data will agree with the data in the Financial unit?
- Can you prove the accuracy of your estimates?
- How often will your forecast be revised?

### **Benchmarks**

- Are you able to identify realistic goals or attainments in terms of volume, revenue, dates, etc.?
- How will your benchmark achievements or shortfalls influence your actions?
- How will continue to evaluate your benchmarks and measurements?

### **Credit / Payment Terms**

- Will you receive cash only?

- What types of payments will you receive?
- Will you accept more than one type of credit card?
- Will you accept personal checks and under what conditions?
- Will you accept payments over the internet?
- Will establish accounts receivable in your records?
- What collection methods will you use?

### **Pricing**

- Will you be able to offer a competitive price?
- Will you have an adjustable formula for calculating markup?
- Will you price items with price ranges?
- Do you have a discounting policy?
- What is the market demand in general and for your product?
- Are distribution costs a factor?
- Is there an opportunity for a skimming policy as an early entrant?

### **Location Criteria and Analysis**

- Do you know the main considerations for locating your particular enterprise?
- Can these criteria be quantified in any way for comparisons and ranking for importance?
- Do you have an instrument for assessing your survey results against your criteria?
- Have you included a sample of analyses results?
- Will you be a stand-alone location or associated with a shopping mall?

## **Strategic Marketing Alliances**

- Are there any opportunities for representing established marketers?
- Do you have similar or complementary marketers agreeable to joint marketing ventures?
- Are you able to locate within a high traffic organization?

### **Need Help With Your Business Plan?**

Whatever your situation or budget - let's discuss it!

For a FREE consultation with NO obligations, send a brief request to:

[BPCoach@UncleMaxSays.com](mailto:BPCoach@UncleMaxSays.com)

or visit

<http://www.unclemaxsays.com/businessplancoaching/bpcoaching.php>