

THE MARKETING DOCTOR'S

MAGIC

MARKETING PLAN

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WHERE ARE YOUR MARKETS?

1. Market Research

1.1 What industry are you in or contemplating entering? _____

1.2 What is the current size of the industry? _____

1.3 How big will the industry be in: 5 years _____ 10 _____

1.4 How do these growth rates compare with historical growth rates? _____

1.5. What are the major applications for your product or service? _____

1.6 Do you foresee any new applications for your product or service?

1.7 Who are your customers? (Age, income, race, gender, type of businesses, etc.)

1.8 How long has it been since you surveyed your customers to see how they perceive your company and its products or services?

Have you ever done an opinion poll? _____

(If you're a startup, have you surveyed potential customers? _____
customers? _____

Have you used professional opinion surveyors or focus groups? _____

Where are Your Markets? (cont'd)

1.9 For your industry, how would you rate the following?

High Medium Low

- Power of your customers
- Power of your suppliers
- Threat of new entrants
- Threat of substitutes
- Intensity of competition

What are the implications of the above matrix for your industry's profitability?

1.10 Where are your customers located? _____

Could you broaden the location of your customer base? _____

- Some possible methods: Direct Mail _____
Advertising _____
Internet _____
Telemarketing _____

Where Are Your Markets? (con't)

1.11 What re the major political, economic, social, technological and international (PESTI) trends in your industry? What impact could they have on your company?

FACTOR

IMPACT ON YOUR COMPANY

Political/Legislative

Economic

Social

Technological

International

2. TARGET CUSTOMERS

2.1 What are your target markets?

Target Market/Customer	Market Size	Growth Rate	
		1 Yr	5 Yr
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

IN THIS SECTION, ANSWER THE FOLLOWING QUESTIONS FOR EACH OF THE TARGET MARKETS THAT YOU IDENTIFIED IN QUESTION 2.1

2.2. Are you or could you be selling to end users or to intermediate customers?

Yes _____ No _____

Do you or could you use the internet to sell directly to your customers? _____

2.3 What does the distribution of your customers look like (how concentrated or fragmented in terms of dollar volume and geographic location)?

% of your Customers	% of your volume		Geographic Location
	\$	unit	
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2.4 What percentage of the target market really qualifies to be one of your customers?

What do you think would influence a member of the target market to become a customer?

Hint: You must be prepared to add value to your customer's business in some way--
how do you plan to do that? _____

How many qualified leads do you have from this target market? _____

How many customers in this target market purchased your product or service for the first time in the last three months? _____

How many customers have purchased your product or service more than once? _____

What are you doing to attract customers to this target market? _____

2.5 What differentiates your product or service to this target market? _____

Have you surveyed your customers in this target market to find out why they do or do not buy from you?
Yes _____ No _____

What weaknesses did the survey reveal?

Particularly, did customers perceive your product or service as different? _____

Have you ever done a perceptual map of your product or service compared to your competitors (see dssresearch.com/perceptualmap)

Yes _____ No _____

3. ADVERTISING, PROMOTION AND ALL THE WAYS TO GET YOUR CUSTOMERS

3.1 How have your present customers found you? _____

3.2 What demographics does your target market have (size of company, employees, location, etc.) _____

3.3 For consumer products or services, also list your customer demographics, i.e., age, sex, income, location, etc: _____

3.4 What influences your target market buy products like yours (on a 1 to 5 scale)?

- Word of Mouth _____
- Advertising _____
 - Newspapers _____
 - Radio/TV _____
 - Coupons _____
 - Billboards _____
 - Direct Snail Mail _____
 - Email _____
- Point of Purchase Advertising _____
- Outside Salesmen _____
- Trade Shows _____
- Internet _____
- Publicity _____
 - Newspaper _____
 - TV/Radio _____
 - Trade Journals _____
- Direct Selling _____
 - Outside Sales Reps _____
 - Telemarketing _____

3.5 How much are you spending, or planning to spend, on advertising and promotion, as a percentage of sales? _____

3.6 Have you looked at various types of distribution (e.g., Direct, such as mail/TV order, Standard, Including Retailers or Wholesalers or Multilevel)? _____

Are you using the internet as a sales channel? Yes _____ No _____
What percentage of sales is it? _____

3.7 Do you have an estimate of how much your competition spends on advertising and promotion? _____

3.8 Have you audited your competition's internet site? _____

3.9 How much do you spend on customer retention? _____
What forms does it take? _____

4. CUSTOMER BENEFITS

FOR EACH OF THE PRODUCTS OR SERVICES THAT YOU OFFER OR PLAN TO OFFER IN A TARGET MARKET, ANSWER THE FOLLOWING QUESTIONS:

4.1 What are the product benefits that your customers are looking for?

Generic Benefits (those that you think all of your competitors offer)?

Tie Breaker Benefits (those that you think your product offers that would make customers decide in your favor)?

Lock In Benefits (those that you think will lock in your customers to you, such as proprietary technology)

4.2 How much of a price premium do you think your customers are willing to pay for your tie-breaker or lock in benefits?

Note: if you offer a quantifiable advantage, what is your customer's return on your higher prices?

If you offer only generic benefits, can you undercut your competition's prices and earn acceptable returns?
What are your actual or projected gross margins?

4.3 Have your competitors been able to obtain price increases from customers? Are they above or below the rate of inflation?

4.4 What are other products or services that customers can use to satisfy their needs?

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Have you done reverse engineering on competitive products or services?

Have you done any opinion sampling of your products against your competitors?

What could you do to differentiate your product or service from your competition?

4.5 What are the buying habits of your customers?

How Often?	How Much	Seasonal?
_____	_____	_____
_____	_____	_____

4.6 What are the demographics of your customers?

Actual Projected

Age

Income

Male/Female

Married/Single/Couples

Location

Other

4.7 Who makes the purchase decision in your target markets _____

For businesses, how does the purchasing decision get made? _____

Your immediate Influencers Gatekeepers Their Customers
Contact(s)

4.8 How important is your product or service to your target customer's well-being?

Can they live without it? _____

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What can you do to make your product seem like a 'must have'?

Packaging?

Promotion?

Word of mouth?

Other?

4.9 If you are targeting intermediate customers rather than end users, how does your product make your customers more effective with their customers? _____

4.10 Are customers taking any perceived risks, e.g., newness of your company or your product or service, in purchasing from you? _____

What might you do to lessen the risk, or make it seem as though it's shared? _____

Some ideas: product warranties, money back, product support hotlines, etc.

4.11 How important is service to your customers in your market? _____

Could service be a tie breaker or lock-in benefit? _____

4.12 What are the elements of service and their importance to this market?

Rank Other Aspects

Customer Service

Inventory Support

Warranties?

Technical Support

Other

4.13 How is quality defined in this market?

Elements of Quality Customer Expectations

- a.
- b.
- c.
- d.
- e.

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4.14 What causes quality problems for you? (This need not be product related -- it could be sloppy staff work, poor phone manners, etc.) _____

4.15 Have you benchmarked your product or service against your competitors? _____

What would you have to do to become world-class, or the best in your trading area? _____

4.16 Is product or service quality an item that can command a premium, or is it an item to make your product or service stand out? _____

4.17 Do you have quality problems in your product or service delivery? _____

How could you fix it? _____

Note: Include in this assessment what you think of staff contributions to the quality image of your product or service _____

Have you done a SWOTT (Strengths, Weaknesses, Opportunities, Threats, Trends)
Analysis of your company and your people? (attach it on a separate sheet of paper)
Yes _____ No _____
How important are your people to the success of your company?

4.18 How do you think that customer needs are going to change over the next 3-5
years? _____

What have you or your organization done to get ahead of these trends? _____

5. COMPETITIVE ANALYSIS

5.1 How many companies operate in your market? _____

5.2 How many of these companies are perceived by your customers as 'direct' customers? _____

5.3 How many of these firms are profitable? _____

5.4 How many companies have entered the market in the last 3 years? _____

5.5 How many companies have left the market in the last 3 years? _____

5.6 What do you expect to happen in the next 3-5 years? _____

5.7 Who is the leading company in your market (if you operate in multiple vertical markets, complete for each) _____

What market share does the leader have? The next 3 companies? _____

5.8 Who is the low cost producer? Why? _____

5.9 What could you do to drive either of the above nuts? _____

5.10 Competitor Profiles

FOCUS HERE ON YOUR LEADING INDUSTRY COMPANIES AND YOUR PERCEIVED INDIRECT COMPETITORS. IT'S BEST TO DO A SHEET ON EACH OF YOUR COMPETITORS.

a. Background

*Domestic or foreign company?

*Single or multiple product offerings?

*Independent company or subsidiary of a larger company?

*Competes in your industry only or several industries?

*Location/number of employees?

*Importance of this product or service to the company's bottom line?

*Is this product line a cash generator or a cash user?

*How deep are the cash pockets?

b. Strategy

*What are their stated missions, visions or goals?

*How have their actions supported these stated objectives?

*What do you or your customers think is their perceived market strategy?

*How do they typically respond to your competitive moves?

*What provokes retaliation from this company?

*Have they been successful in meeting their objectives?

*If they're technologically-driven, what's their strategy for commercialization?

*If you're large enough to be on their radar, how might they respond to your moves?

*What provokes retaliation from this company?

*What moves are they likely to make in the next six months?

*Where do they seem most vulnerable as a company?

5. Competition, con't

- *Do they have blind spots?
- *Where would or could you 'take them on'?

c. Competencies

- *What is their reputation in the industry?
- *Do they have any recognized industry experts on staff?
- *What is their overall level of service (sales support, staff, accounting, collections...)?
- *What is their degree of technical sophistication?
- *Do they have patents, trademarks or salesmarks that are well-known?
- *Are their people better than yours?
 - Any other competencies?
 -

d. Markets and Customers

- *Is service or product more critical to their strategy?
- *Do we have customers in common?
- *Do they have vulnerable points with customers?
- *Do they have a loyal customer base?

e. What does it take to take customers away from them?

f. Are they price leaders or followers?

f. Market Presence

- *How are their present sales growth rates compared to historical trends?
- *What's their market share, as best you can estimate it?
- *Are they a growing or shrinking market presence?
- *Are they growing faster or slower than the total market?
- *Do they have any alliances that could assist them in this market?
- *Do they have deep financial pockets?
- *Do you think as an organization they are likely to stay the course or change direction in response to what you do?

g. Approach, values, etc.

- *Any clues about how they are managed?
- *Are they conservative or risk takers?
- *Are they global thinkers, or content to think only about your market or territory?
- *What are their values, beliefs, historical identity?

5.11 On a separate sheet of paper, write down your company's strengths and weaknesses, and those strengths and weaknesses of each competitor. Also write down how you plan to neutralize your weaknesses and exploit those of your competitor.

5.12 What sort of capital requirements, or other requirements, does it take to enter your business? _____

5.13 What are the barriers to entry? Will they continue? _____

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5.14 How much capacity is available industry-wide? _____

6.THE INTERNET

6.1 Have you thought about a website? Yes_____ No_____

If you have thought about it:

What percentage of your customers have access to the Web? _____

Have you surveyed some of them to determine if they would buy from a website?

Yes_____ No_____ If yes, what did the results tell you? _____

Could you use an extranet to link suppliers together with you? _____

Could you use an intranet to link your employees together? _____

6.2 If you have thought about a website, have you thought about what it should do for you, and what it should look like? _____

Functions: Order taking _____

Building awareness _____

Other _____

6.3 If you have had a website for a bit, what do you think you could/should do to make it a more important part of your business? _____

6.4 Do your competitors have websites? Yes_____ No_____

If yes, have you looked them over to see what you can learn from them? _____

Have you taken steps to upgrade your site, beyond their levels? _____

6.5 Have you had your site analyzed by a professional to see if it:

Reflects your unique selling proposition _____

Reflects your company's products well _____

Is easy to navigate around? _____

Would you buy a product from your site? _____

6.6 Have you had your site, indexing and metatags analyzed by a professional?

Yes _____

No _____

How are your search engine rankings? _____

Number of search engines you're in _____

Ranking in highest _____ Lowest _____

Are you using pay-per-click lead generation? _____

6.7 Do you maintain a customer relationship management system? _____

7. MARKETING PLANS

Now that you understand your customers, where they come from, how to find them, the benefits they expect from your product, and have looked over the social, political, technological and competitive barriers, discuss your marketing plans.

7.1 Overall Positioning and Image of the Company

7.2 Pricing and Service Policies

7.3 Promotion, Advertising, and Sales Policies (include the internet)

7.4 Packaging and Branding

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7.4 Are there private label opportunities?

7.5 Global or International opportunities for your product or service, by country:

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7.5 Have you started to research these opportunities? _____
Which countries look most promising? (1) _____ (2) _____
(3) _____

7.6 The role that the Internet does or should play in your company

7.7 Future product or service opportunities

7.7 Publicity Opportunities

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7.9 Domestic Marketing Priorities (the order in which you'll spend your marketing budget)

7.9 Do you plan to spend any money for international marketing?

7.10 How will you counter potential product or service substitutions?

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7.11 Now that you've laid out all your plans, summarize what you think your competition's reaction will be to your plan, and how you plan to counter THEIR reaction?
