

# Presented by Klamath County Chamber of Commerce and The Ross Ragland Theater

According to the <u>Dictionary of Marketing Terms</u>, marketing is:

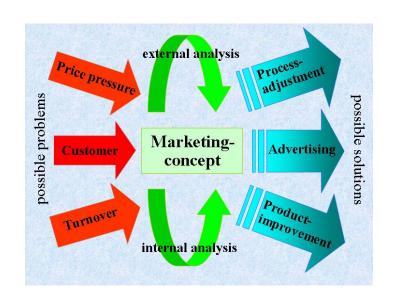
"the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals."

Basically, marketing encompasses all those things necessary to make potential customers aware of your product or services, making them want it, and then selling it to them.

Effective marketing requires understanding your target audience—what they value and why they buy—how to reach them, and how to evaluate your marketing effectiveness. Marketing on a basic level refers to implementing a lot of different activities. Marketing activities that are aligned with strategies, goals, and an overall marketing plan are strategic and highly effective.

"Understand that you need to sell you and your products/services in order to advance your career, gain more respect, and increase your success, influence, and income."

Jay Abraham



Every business needs to grow their customer base, introduce new products, increase sales of existing products or create top of mind awareness for their brand.

However, in the rush to operate a business, the "marketing plan" is sometimes relegated to an intuitive mix of personal best guesses and input from advertising sales associates. At the end of a busy day, finding the time to conduct research and create a "message" can be difficult. Taking a few minutes to define what your business is really selling and the best ways to reach the customer you are seeking can be very beneficial over the life of your business.

## An Effective Marketing Plan

A marketing plan describes what your business offers, who its products/services will serve, and how it will reach its target market. The marketing plan synthesizes what is known about the market and provides guidelines for implementing the strategies and activities the business has decided to use.

## **Components of an Effective Marketing Plan**

- Market Analysis—An overview of the current situation including the industry, competition, target market, member profiles, and potential future markets.
- Marketing Goals—What will be accomplished as result of marketing initiatives, such as the target market to focus on, sales forecasts, and pricing levels.
- Marketing Strategies—Identify how goals will be achieved, including how
  to reach the target market, which distribution channels are best to use, ways
  to enhance the organization's brand and image, customer service approaches,
  and pricing products/services to compete effectively in the market.
- Marketing Implementation—Describe how strategies will be implemented within the time frame, such as the mix of marketing activities that align with selected strategies, a schedule to implement marketing activities, and the associated marketing costs projected.
- Marketing Evaluation—Identify how marketing outcomes will be evaluated, including the return-of-investment anticipated, how marketing results will be monitored, and how costs will be controlled.

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# **Determine Marketing Goals**

After completing or reviewing the Market Analysis, you should set goals for what you want to accomplish with the Marketing Plan.

#### Marketing goals:

- Are stated in a narrative form; and
- Should include a concrete way to measure the results. For example, stating that you want to increase sales is not as measurable as stating that you will increase the total number of guests served on Sunday evening by 10%.



#### Examples:

- Increase beverage sales a total of 10% by June 15th.
- Increase total revenue from Saturday and Sunday sales, from \$1000 to \$2000. Increases will result from sales of our new clothing line.

"Goals are the fuel in the furnace of achievement." Brian Tracy, Eat That Frog

## **Activity—Set Your Marketing Goals:**

entify 2-3 marke	ting goals you	u want to acc	complish as	a result of y	our marketing
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# **Identify Marketing Strategies**

Once you have determined your marketing goals, the next step is to develop marketing strategies.

Marketing strategies are *broad statements that describe how your goals will be accomplished*. While marketing goals are specific, quantifiable or measurable, marketing strategies describe your approach and how you can use various marketing tools to achieve success. These strategies provide direction for which marketing activities you will plan to implement for the year.

For example, one of your strategies may be to increase visibility with a specific target market (e.g., customers with household incomes over \$100,000), and as result of this strategy, you will consider tactics and activities that help you to gain visibility with this specific target market.

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# Types of Marketing Strategies

Although you can develop marketing strategies to manage seasonal cycles of your business, develop new products and services, or to address operational issues, most strategies are focused on increasing sales, enhancing the businesses competitive advantage, or maintaining high visibility in the market. In your marketing plan, you will need to describe how your strategies will help to achieve your marketing goals.

Examples of types of marketing strategies are listed below:

### **Target Market**

- Gain and maintain visibility in our target market
- Increase awareness about our business and what we offer
- Tap into others' traffic to attract customers who align with our target profiles
- Stay top of mind with current and potential customers throughout the year

### **Brand and Business Image**

- Build or enhance our business' specific product/service image
- Maintain a consistent visual image physically, on the Web, and with all marketing collateral
- Communicate consistent marketing messages to the target market
- Humanize our brand and use role models to deliver our key messages

#### **Customer Service**

- Provide an exceptional experience throughout every transaction
- Respond timely to customers' requests and concerns
- Stand behind our products/services
- Stay in the hearts and minds of our customers

#### Location

- Be accessible to our customers
- Expand the location or number of locations in the market
- Improve the capabilities of the current location

#### **Pricing**

- Adjust our current pricing strategies for products/services
- Select or refine pricing strategies to improve market position or profitability
- Introduce pricing level strategies to attract a new or niche target market



Activity—Select Your Marketing Strategies: Out of all the possible marketing strategies discussed, which ones will b marketing goals and why?	est meet your
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2.	
Marketing Alignment  The most effective marketing plans are designed from the ten down and the second from t	orking from
The most effective marketing plans are designed from the top down—w clearly defined goals, developing strategies that support these goals, ide that will help to accomplish the goals and strategies, and then downwar of specific activities to implement.	entifying tactics
Activities are the specific actions that must be implemented for the tactics to be successful. <b>Activities are concrete action items with deadlines and responsibilities</b> .	Strategies have little meaning or effectiveness withou
For example, if your strategy is to target a specific, well-defined market, then your tactics may include communicating directly to that target audience or emphasizing common core values that you share with that market. The activities related to these tactics could include creating and placing marketing materials designed specifically for that market; and holding focus groups to determine customers' core values.	tactics or activities to support them.
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## Where are Your Customers?

This is one of the questions a marketing plan addresses. Understanding who your customers are and where they congregate gives you the opportunity to place your marketing message with pinpoint accuracy. Identifying the traffic patterns your customers use in there daily lives helps deliver your message accurately.



## **Understanding Traffic Patterns**

Potential customers in each of your target groups have similar patterns of behavior and have a lot more in common than you may think. For instance, your customers' patterns and similarities may include things like:

- What publications they read and use to collect information
- What type of events/activities they attend
- What events/causes they support in the community
- Who they use or rely on for information or similar services
- Which other businesses already have them as customers
- Where they shop and spend their leisure time

These commonalities are called 'traffic patterns' and are an important part of market research. By understanding current and potential customers' patterns, you can find them readily, find more just like them and target your marketing resources so your audience is more likely to see them.

## Special Note: Everyone is Responsible for Marketing

Once you have decided on the right message, everyone in your business should be aware of the marketing message, visions, and goals of the company, and should reflect that message in everything they do that is related to the product and your customers. This is referred to as <a href="Integrated Marketing Communications">Integrated Marketing Communications</a>, and means that every contact with customers and potential customers, whether it's through advertising, personal contact, or other means, should carry a consistent message about the company and product. In effect, every employee is a sales person, and every employee is a customer service representative. If they give mixed messages about what your business is, then your customers and potential customers will have a distorted picture.

## **Event Partnerships Part of Your Plan**

Participating in a local or regional event can be an excellent opportunity to get your message in the minds of a large number of current and potential customers in a very efficient manner.

Events provide an attraction to bring your targeted market together; once you have decided who the target is you can partner with events that meet the interests of your customers and bring them together in one place.

By piggybacking your promotional efforts with the event's you create a partnership that is appealing to your customers and provides an excellent avenue for distribution of your promotional message prior to and at the event.

Aligning your business with a successful event gives you immediate benefits:

- Marketing your participation to attract potential customers to your business and the event
- Delivering a message that shows support of a "cause"
- Providing your employees with a helpful message to share
- Participating in cooperative promotional activities to leverage your marketing resources
- The opportunity to align your brand with a highly recognized and successful event

Here are few tips to give your event participation a better chance of success:

- Make sure the event ties in with your business and product.
- Make sure your business and product name are very prominent.
- Make sure your audience knows why it should come. In other words, make sure there is a compelling reason to attend.
- Make sure there is some newsworthiness to the event so you'll also get some PR.
- Make sure your marketing message and position are clearly communicated.

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# Creating Materials for the Event

What goals are you hoping to achieve by participating?

- Name recognition and branding
- Introduction of a new product
- Market a promotional event at your business
- Announce a change in service
- Collect customer contact information

What materials best serve this goal?

- Product Samples
- Coupons
- Business Cards
- Brochures
- Contest sign up



### Special Note to Remember: Customers Buy Solutions, Not Services

When customers read your marketing messages, they only notice what speaks directly to their needs or values. If they can't see their situation or solution in your marketing message, then they ignore it and keep looking. Or, they don't think they have a need or interest, therefore, they aren't buying what you want to sell. Review your three target groups and spend some time thinking about what kind of solutions your target audience is seeking. You can determine each group's needs/interests by answering these questions:

- What keeps them up at night? (What problems/challenges are they facing?)
- What are they trying to accomplish? (What are their goals?)
- What are they seeking in the community or in a similar business?

## **Using a Promotion**

A promotion, as opposed to advertising, is based on incentives to act, such as a twofor-one sale, a price discount, or a free gift with purchase. Promotions are useful for encouraging potential customers to try your product and hopefully increase your base of loyal customers.

Here are some examples of promotion types used by marketers today:

- Price discounts/sales
- Coupons
- Samples
- Rebates
- Premium items\*
- Sweepstakes/games
- Packaging





\*Premium items are the trinkets and goodies you give away at events. They typically have the company name branded on them and are low in cost. Provide something that is both useful and consistent with your company's image and product or service line.

For example, a <u>beer</u> manufacturer might give away bottle openers, or a book store might give away book marks or <u>coffee</u> mugs. Pens, note pads, and <u>refrigerator</u> magnets are also good choices. Look for innovative features and good quality if you go with these items (or any premium item), like magnets that have clips to hold larger notes, or pens that will stick to your file cabinet. Just like with your product, you want your premium items to stand out, be of good quality, and make a favorable impression.

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# Develop a Budget

Developing even a simple budget format will help you understand the actual cost of participation and your return on investment (ROI). Your budget might include:

#### **Event Budget Expenses Event Registration** 100.00 Printed Materials 150.00 Samples or Gifts 300.00 150.00 Staffing Transportation 25.00 Equipment (Rental) n/a Advertising/Marketing 200.00 Decorations 25.00 Misc. 25.00 975.00 **Total Cost** Revenue Sales at Event n/a 750.00 Sales Following Event **Total Revenue** \$750.00



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# **Determining Promotional Value**

You must also apply a value to the advertising and promotion your business received at the event. This is not always simple but the advertising and branding have a very real value and require a "best guess" to establish that value.



What is the value of placing product sample or promotional piece in the hands of a potential customer?

What is the value of personal contact with a potential customer?

What are your costs and responses in other forms of advertising and marketing? How does the event participation compare?

Consider offering a coupon or promotion that requires a visit or call to your business to help track the success of your promotional effort at the event. You can have them join a club or provide their contact information so you can follow up after the event, anything to help track the value of participating in the event.

Promotional Value							
Promotional Value							
Samples provided Branded Materials Distrib-	500.00						
uted	500.00						
Personal Contact	750.00						
Total Promotional Value	\$1750.00						

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# Return on Investment

## **Return on Investment**

+Promotional Value	1750.00
-Cost	975.00
Net Profit or ROI	\$1525.00



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## Preparing Your Staff

One of the most important steps to take in order to have a truly successful promotional event experience is the training of your staff. Your staff accounts for 90% of the "positive feelings" that attendees have about your company, making the people you send to represent your investment extremely important. You want to send your most "people-oriented" representatives, as well as those who know the most about your company (and if you're lucky, they'll be one and the same). You should also look for enthusiastic, high-energy representatives who have a naturally positive attitude and an air of confidence about them.

Part of the planning process is setting objectives for the event. Do you want to take orders on the spot, build your brand awareness, introduce a new product and gather leads, etc.? Whatever your goal for the show may be, make sure your staff understands exactly what the goal is. You should arm them with the message you want to send, along with specific details to back that message up.

"Participation begins at your "front desk."

Once everyone is briefed and ready, you need to get them organized. First you need to assign an Event Leader to be in charge and manage the staff during the event. Even if you are attending a small event and are only sending two staffers, it still makes sense to do this so they know who is responsible for what. You'll also need to assign someone the job of managing the event generated leads. This person will ensure that the follow-up process is completed, letters, e-mails or promotional materials are delivered and contact information is properly inputted.

#### **Additional Tips**

- Don't eat in the booth.
- Don't talk on the phone in the booth.
- Watch your body language. (Don't stand with your arms folded across your chest -it's not an "inviting" stance.)
- Remember breath mints!
- Take breaks -- about five minutes per hour.
- Wear comfortable shoes.
- Dress in appropriate attire for the event.
- Don't sit down while attendees are in the hall
- Do venture out into the aisle to greet attendees when ever appropriate.
- Make sure you have a pen and paper ready to take contact information.



## **Evaluation**

As soon as possible after your event occurs, it is very beneficial to sit down with everyone who was involved and evaluate the execution of the event. Post-event evaluation reports are a useful planning tool for future promotional events.

Name of Event:			
Brief Description:			
Date of Event:	Time:	am/pm to	am/pm
Location:			
Overall Cost:			
Sponsoring Organizations & I	Partners:		
Today's Date:			
Did the event fulfill the mark you set as a goal?	eting purpose? Was	the target market reach	ed? Did you reach the number of people
Did the event meet your pro	motional goals?		
Was the event a success acc	ording to the pre-eve	nt planning?	

Did the date and time work well? Explain why or why not? Did conflicting events affect attendance or effectiveness of your event? What suggestions would you make for holding this event at the same time in the future?

Did the location work well? What, if anything would have worked better? Were you able to set-up the way you originally planned? Why or why not?

What parts of your publicity plan worked the best? Do you feel that the publicity was timely? How would you change the publicity for future events? Attach a copy of the publicity plan with this evaluation.

What was your total budget? How much did you spend? Was your budget accurate (spending within the line items you created)? Would you recommend adding or cutting any items to better fit into the budget for the future?

Was staffing sufficient? What staff changes need to be made?

#### **Overview of Event:**

What went really well? Why?

What changes would you make for the future? Why?

