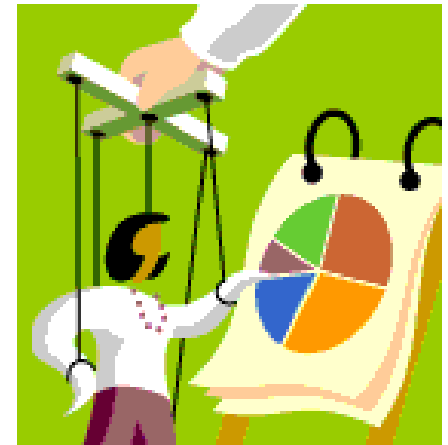

Chapter 10

The Marketing Plan

Business Ownership
Mrs. Deady



Objectives

- Recognize the role of marketing objectives in a marketing plan
 - Identify the five marketing strategies that make up the marketing mix
 - Describe the part marketing tactics play in the marketing plan
 - State the importance of ongoing market research in keeping your business profitable
 - Identify the factors to consider for possible changes in the 5 strategies
 - How do you update the marketing mix and plan
-

Definitions 10.1

Devising a Marketing Plan

- Marketing plan - use of the 5 strategies required to reach your marketing objectives
 - Marketing objectives - What you want to do with your marketing efforts
 - Marketing mix - combination of product, price, place, promotion, and people strategies
 - Brand - name, symbol or design used to identify a product
 - Package - the physical container or wrapper that holds the product
 - Label - part of the package used to present information about the product
 - Product positioning - how consumers see your product compared to the competition's product
 - Product mix - all the products a company makes or sells - how they relate to each other
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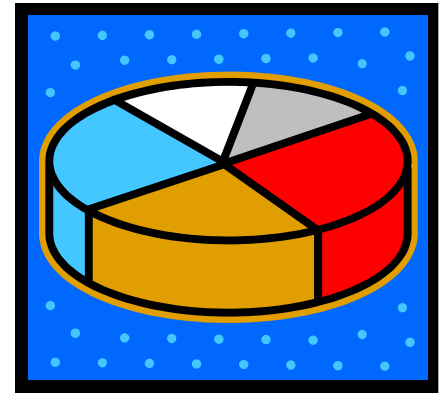
Definitions 10.1

Devising a Marketing Plan, cont'd

- Channel of distribution - path the product takes from producer (manufacturer) to final user (consumer)
 - Intermediaries - people or businesses that move products between producers and final users
 - Intensive distribution - placement of a product in all suitable sales outlets (paperbacks found in bookstores, supermarkets and magazine stands)
 - Selective distribution - limits the number of sales outlets in an area (textbooks)
 - Exclusive distribution - limits the number of outlets to one per area
 - Marketing tactics – activities that need to be taken to carry out the marketing plan
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The Marketing Mix – 5 Ps

- Product – goods or services; product mix
- Price – financial decisions to cover costs and make a profit
- Place – distribution strategy
- Promotion – advertising characteristics and benefits of your product or service
- People – assemble, prepare, maintain those who help you achieve success



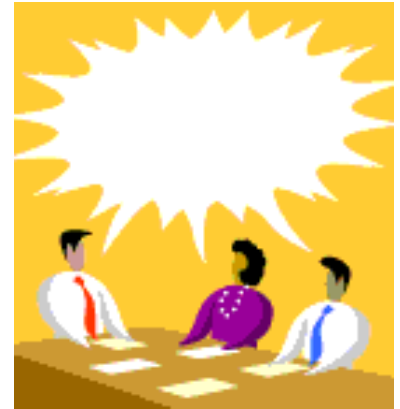
Definitions 10.2 Reviewing and Revising the Marketing Plan

- Private Brand - Products offered under the name of the store
- Guarantee - an assurance of the quality of a product
- Diversification - investing in products that you do not currently produce or businesses that you are not currently involved in.
- Product Strategy - How goods or services match up with customer needs and expectations
- Place Strategy - How to deliver goods or services to customers



Possible Changes to Product Strategy

- Add Products
- Eliminate Products
- Change Products
- Identify New Uses for Products
- Change Brands, Packaging or Labels
- Revise Guarantees and Service Policies



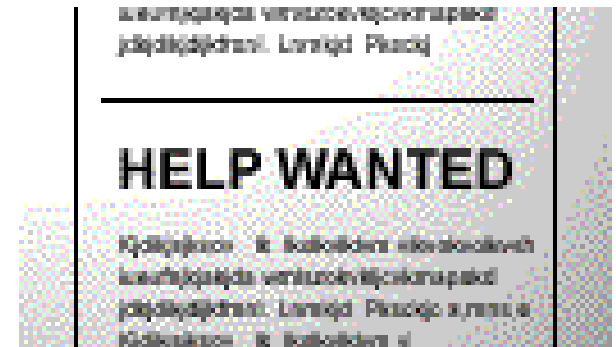
Possible Changes to Place Strategy

- Improve Location
- Rearrange Layout of your operations
- Increase Availability
- Change Channels of Distribution
- Keep in mind:
 - What effect will the new channel have on sales volume and stability?
 - What effect will it have on gross profit?
 - What effect will it have on operating costs?



Possible Changes to People Strategy

- If demand goes down, may need to reduce staff
- If demand goes up, may need to hire staff
- If demand goes up, may become more mechanized, requiring fewer staff with different qualifications
- As business grows, revisit reward system and training methods



Possible Changes to Price and Promotion Strategies

- Price revision considerations include:

- pricing for profit
- reacting to market prices
- revising terms of sale



- Promotion strategy considerations include

- making the most of your advertising dollars
- stimulating sales
- planning for the long term

