Essay on developing a marketing plan

Business, Company

The need of the marketing plan

A marketing plan entails the marketing strategy that the company or business unit for that matter intends to use for a particular period. Usually a marketing plan may run from one year to five years. It is imperative to appreciate that the plan is merely a guideline and need not be followed to the latter. In general the marketing plan is employed for purposes of strategic planning by the marketing department of the business unit. This section shall canvass the uses of the marketing plan.

The marketing plan can be considered in a tripartite spectrum. First, it can be looked at as the guideline on the company marketing strategy for its services and products. Secondly, it can be considered as the company's appreciation of the operating environment and its consequential preparedness to tackle the challenges and lastly, it can be considered as the marketing department's activities and estimation of costs. It is these three functions that explain the reasons why companies would prepare the marketing plan.

A company in business suffices for purposes of making profits. Indeed, these profits can only be made through engagement in trade. The marketing strategy is a direct expression of how and to what extent the company intends to engage in trade. It shows the company's settings intended to beat challenges in the market and steer off any potential losses. The marketing plan is equally essential for purposes of analysis of internal strengths of the company. In this strain, it expresses the nature of the company's strengths and how it intends to capitalize on such advantages. For example, it is here that the company's intention to use its personnel for marketing purposes would be expressed. In the same vein, it is in the plan that the company considers how it can use its internal sources for purposes of marketing its products.

Secondly, as mentioned before, the marketing plan is an appreciation of the operating environment and consequential preparedness. Under this guise, the plan appreciates weaknesses relative to threats the operating environment poses. It is in the plan that the organization should ideally carry out a comprehensive SWOT analysis. In the SWOT, the organization would make itself fully aware of its strengths, weaknesses, opportunities and threats. With such a realization and knowledge base, the organization is able to design a working strategy that would maximize on strengths and opportunities while minimizing threats and weaknesses. From the onset, it is arguable that the plan should hence be all encompassing as it entails a careful consideration of all factors at play.

Finally, the marketing plan is an expressing of the activities versus the costs. In budgeting, it is often the norm that before combining the entire organizational budgets, departments are left to flout budgets and subject them to the scrutiny and sanction of the management and the accounting department. The marketing plan is one such opportunity for expressing the departmental budget. In this case, the plan has to have a marketing budget which must balance the overall interests of the organization. A marketing budget must seek to fund the marketing activities sufficiently while not necessarily straining other departments within the organization. For that purpose the plan needs to be realistic and made with the full realization of the stakes in the organization.

Positional Analysis

Positional analysis is a concept that applied when target markets have been identified. Position analysis therefore is an examination of the position of the company in the target market. One way of examining the company's position is to consider its brand and how it (brand) is received and perceived in the market. It is essential for the company to brand itself positively in the target market. The position element emanates from the fact that in the same market are competitors seeking to benefit from the same market. In that strain, a competition suffices and the best company that offers the best product for the target market bags the majority of the market. It is of significant import consequently for the company to appreciate the needs of the target market and brand itself in relation to these needs. Positional analysis ranges from simple to complex analysis depending on the character of the market. In situations where the products are highly differentiated, position analysis would be complex for the company has to research the target market's considerations and preferences to the detail. An example of a form of positional analysis can be seen in the airline industry where airline companies occasionally carry out market research to ascertain the reception of their services in the market. Often the study entails an external comparative research in which the clients may be asked to state their reception of the airline products and any other factor that would contribute to preferences in favor of the airline or towards other airlines.

Alternatively, a positional analysis could emanate from the results from a third party research on the performance of firms in a given industry. Points of concern are considered and the company examines its relative strength hence position in the target market relative to its competitors. In addition, a company that undertakes a positional analysis may want to rank its target markets. This applied where the company has a broad range of diverse and different target markets. What the company does is to examine its performance in one market and compare the same with the next alternative market. The company then ranks the target markets in order of where its brand is performing better. Through this approach, the company can make strategic decisions that go into where to invest or in what proportions to invest. Positional analysis has proved to be an invaluable tool for it provides to the marketer information that would otherwise not have been obtained. It is premised on the concept of brands. In that regard, it is instructive to appreciate that a company must first build its brand and get a target market to at least be privy of the products it serves. It, therefore, goes without saying that positional analysis would only be applicable and rightly practicable for products that have already been launched and are merely candidates for improvements or differentiation. For entirely new products, positional analysis would only be based on the previous records in relation to older products by the same company. By and large, the essence of positional analysis does not stop with the digits; it actually calls for use of information for the better marketing of the company's products.

Marketing mix

In marketing theory, marketing mix is often best captured by the catch words the four Ps. In this case, the Ps are product, price, place and promotion. Marketing mix, therefore, refers to having a combination of the right product, at the right price, sold at the right place and with the right promotion. It is essential to appreciate that marketing entails the movement of the product from the manufacturer to the final consumer. Interestingly, most people never give so much thought about how the product would move from manufacturers to consumers. It is assumed that it would in one way or another just move. However, the effectiveness or otherwise of a marketing mix is what determines the extent of movement of products. At this juncture, it is equally essential to discuss the relationship between marketing mix and the target market. The target market precedes the marketing mix. This is to say that an organization needs to identify its target market and know their characteristics and preferences before developing its marketing mix. The target market must be appeased and satisfied by the marketing mix. In that context, the product, the price, the place and the promotion techniques must be in tandem with the target market.

The marketing mix can and is often applied in practice. The company first identifies its target market. It looks into issues of product affordability, which in essence is the price, the product availability which relates to the place and the promotion techniques that would appeal to the target market. An example of an applicable marketing mix can be deduced from the sale of " Rex Socks" cardigans. First, the product must be appealing and related to the " Red Sox" baseball team so as to attract fans. Secondly, as to the price, the marketer has to consider the average financial capabilities of the " Red Sox" fans so as to gauge the affordable rates to price the cardigan. Thirdly, the matter of place needs to be considered. The place that would most likely lead to high sales could be the stadium, that is, Fenway Park or Boston City as a whole since the team's home is Boston. Lastly, the promotion method needs to be settled on. This could be done through the sale alongside the sale of tickets for an upcoming match. One connecting thread in the sale needs to be an appreciation of the target market. Supporters of “ Red Sox” would likely be young and aggressive Bostonians who still relish in the game of baseball. Their interests must be considered in the overall marketing strategy.

In the long run, a marketing mix must balance the 4Ps. The marketer needs to ensure the mix is comprehensive and considers all the mentioned facets. Otherwise a mix that dwells heavily on the price but fails to use the right promotional techniques would not succeed due to the technicality that is the failure of communication. On the other hand, a mix that employs the right place but overprices the product would probably fail for the target market would be unable to afford. Marketing mix must, therefore, be arrived at with due considerations and after thorough and aggressive research. It would be essential for marketers to embrace diversity in the mix and ensure the mix represents the collective interests of a majority of the target market. This is what may divorce successful marketing mixes from unsuccessful one.

References

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