



Writing the Winning Marketing Plan

Many people believe that the basic issue in marketing is...
convincing customers you have a better product,
that in the long run, the best product will win.

Not true... It's an illusion...there is no objective reality.
The perception is the reality.

Marketing is a battle of perceptions not products.
All that exists in the world of marketing are perceptions
So, marketing today is the creating of a balance between the right and left brain in the mind of
your customers

Source:

The 22 immutable laws of marketing by Jack Trout, Al Ries
...with edits and additions from the guys at Derby Management

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Background

As part of our work with one of our larger customers, we introduced a revised common Marketing Planning process and single common format early this year.

▪ Why is Marketing Planning important?

Marketing Planning is concerned with managing your business responsibilities in the future, to make best use of two limited resources **time** and **money**, in order to generate the planned profits by satisfying the needs of your customers.

“Marketing Planning is a means of ensuring an orderly and profitable transition from today in to the future. If, as a manager, you enjoy letting things happen, if things are good as they are, or if you like panic decisions, then Marketing Planning has no value. However, if you want to understand and control your growth, improve your profits or increase the chances of your company’s survival, then Marketing Planning is not an option, its mandatory. Planning is not something apart from the rest of the business. To be successful, it must determine activities and be recognised for what it is by the whole company.”

The discipline of Marketing Planning also requires you to continually re-investigate your perceptions of your customers and your market environment or ‘playing field’ to develop and test alternative options for your business. It allows you to be more prepared for the unexpected, the essence of which was effectively summed up by Pasteur:

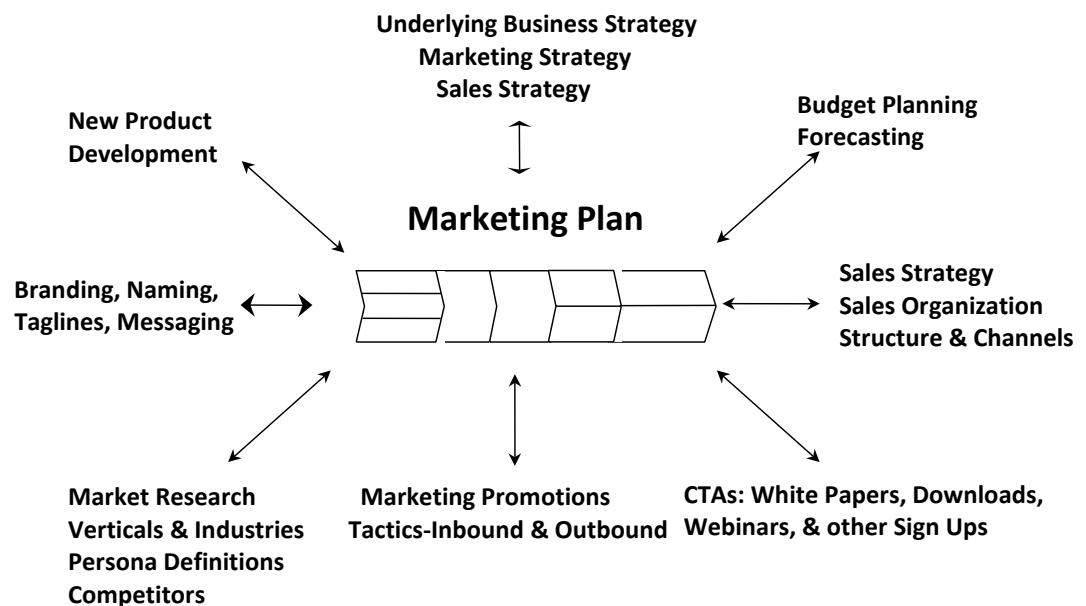
“Chance favours the prepared mind”

...Pasteur

- **The Marketing Planning process**

- **Objectives and Expectations**

The Marketing Plan serves several purposes and contains many components:



The Marketing Plan will therefore have many readers.

The Company Marketing Plan will be read by all of the internal managers and by the Company's Directors in order to help them understand the global strategy, marketing strategy, tactics to be employed and budgets and forecast for the year. The senior management team will all participate in the Company Marketing Plan to ensure that the Company's business objectives can be achieved through the investment in Marketing.

Most importantly, the Marketing Plan becomes an effective, living management tool for all of the senior management team to plan with and to review in detail on a quarterly basis.

To ensure that your next Marketing Plan fulfils your expectations, you should...

- clearly identify opportunities and sources of competitive advantage through more intimate and shared **market understanding**;
- clearly state **prioritized and focused strategies, objectives, tactics & metrics** to achieve corporate expectations, consistently aligned across the marketing & sales organization; and
- efficiently plan resources, based on focused and detailed marketing and sales action plans.

- **The Planning Cycle**

The Marketing Planning cycle follows an annual process. The schedule of events is outlined in the table below:

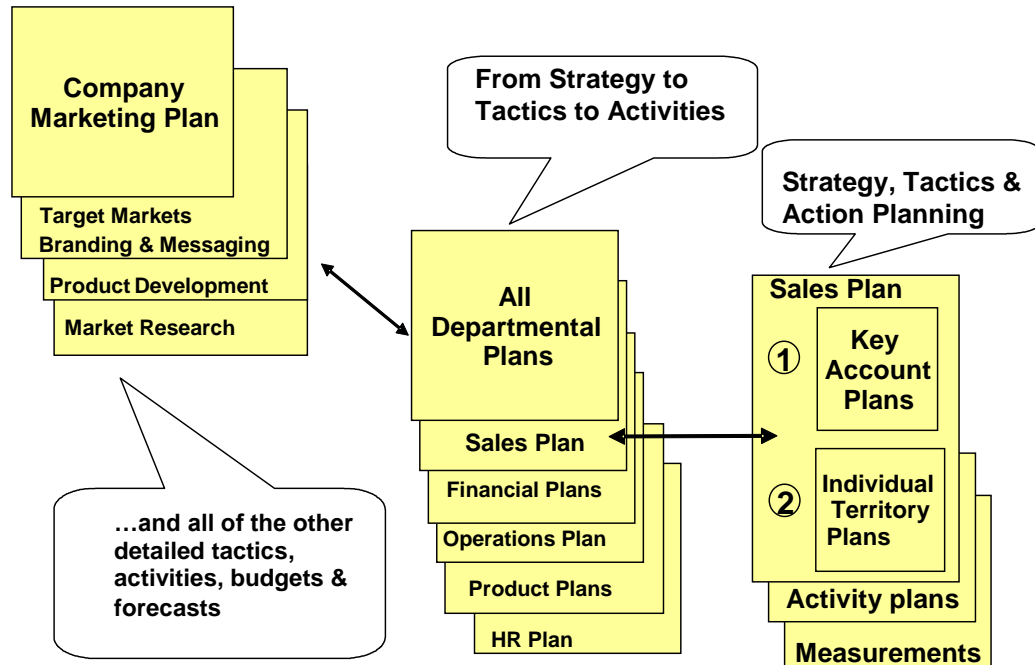
Marketing Planning Cycle 2016 Schedule of Events	
Planning Activity	Month
Kick-off planning cycle	
Extended team planning meetings (strategy presented)	
Sales and Marketing presentation of joint plans	
Marketing Plan completed	
Submission to Board	
Business Plan completed	
Submission to Board	
Board Approvals	
Management roll-out meeting	
Quarterly review of progress against plans	

- **How all the plans fit together**

Marketing management will present a global analysis of the market situation, from which it will identify the key issues critical to the company's success on a worldwide basis. These key issues will then drive the Company's objectives and its global strategies, which the Company will want to see deployed consistently throughout its local markets.

Not only is the alignment of the Marketing Plan of critical importance, but also the relationship of the Marketing Plan with the plans of the other functional areas of the business (e.g. Sales, HR, Finance, Operations & Engineering.); to ensure co-ordination and integration of cross functional activities at a local level. For example, the Marketing Plan should define customer segmentation that can be used and developed by the Sales and Customer Experience teams in the preparation of their sales and key account plans.

Alignment of all plans throughout the business is critical



The Marketing Plan should contain the majority of the following:

-A business review of the current state of the business

- Company and its products
- Target market analysis
- Persona definition
- Sales and market share analysis
- Product assessment and value attributes
- Sales distribution and channel definition
- Pricing
- Direct and Indirect competitor analysis
- A SWOT Assessment

-Sales Objectives: Revenue, Share, Margin, Current and New Markets

-Target Market(s) definition

-Marketing objectives and overarching strategies (primary directions)

-Tools & Tactics

- Branding & Messaging
- Packaging
- Pricing
- Promotion
- Inbound & Outbound specifics

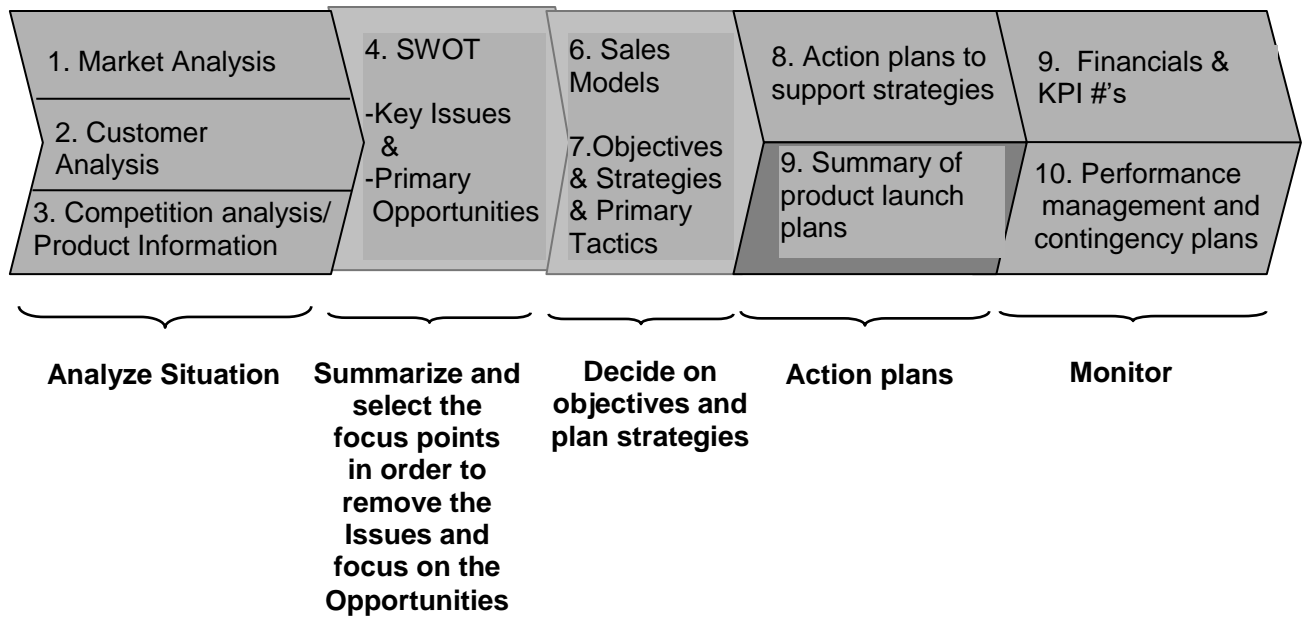
-Budgets

-Calendar timetable along with metrics

Writing and presenting Marketing Plans

▪ The Marketing Plan structure

The Marketing Plans follow a logical structure, made up of 10 categories outlined below:



▪ **Facilitating the Marketing Planning Process**

The objective here is to describe a possible planning process or '**how to plan the plan**'. It is presented as guidance only, and it is expected that each planning team will adapt it as necessary to best fit their requirements. The process involves four key group activities:

- Planning Initiation
- Analysis agreement
- Strategy selection
- Action Planning

The VP of Marketing ideally should form a Marketing Planning team with representation or input from Sales, Customer Success, Finance, Product Management, Engineering and Human Resources, better described today as "Talent Management". In this way, maximum leverage is made of local expertise and the link to sales planning is ensured. Between each group activity team members work individually to develop plan materials and write the individual plan sections.

▪ **Meeting 1 - Planning Initiation**

The initial team meeting is required to establish roles, responsibilities, time scales and planning approach to be taken. This should cover not only the overall activity but in particular the details of rewriting or updating the situation analysis section of the plan. The following objectives are suggested for this first meeting.

Objectives

- Agree on the team
- Agree on the overall timetable
- Agree on the team meeting schedule
- Agree on the work split for the various sections

Process. It is suggested that the VP Marketing or the Team Captain prepares suggestions for the first three objectives before the meeting and may choose to circulate these to proposed team members before the meeting. In any case these items should be agreed on rapidly so that the main part of the meeting can be focused on the situation analysis. The team next reviews what resource materials they have available including:

- Previous company strategies, situational analyses and marketing plans
- Available sources of market data
- Marketing Plan structures, Excel tool sheets and the tables and methodologies toolbox.

Then the team can decide what can be achieved and which approach should be taken. In particular, the team should consider which of the planning templates from the toolbox should be used. Having decided on the approach, the work of filling in the templates, graphs and developing the plan text should be allocated between the team members. A team member should also be appointed to consolidate and integrate the various outputs.

A possible strategy is for team members to develop the templates and key bullet points, and for a single team member to write the overall section. Once this is agreed the team can disperse and work individually.

- **“Situation Analysis” or “The Business Review”**

The situation analysis itself is best done by team members working on their own but in communication with others using e-mail and Google Docs. There are four key activities during this phase of planning:

- **Data Gathering** - locating data sources and updating the situation
- **Individual Analysis** - extracting the key “*So what?*” bullet point from the data
- **Consolidation** - bringing together the contributions and integrating into a single “story”
- **Individual Review** - team members critically reviewing the integrated output

If these are completed successfully, then the team is well prepared for the next group session. During the situation analysis, issues could be compiled on an ‘Issues Worksheet’ to help compile issues on an on-going basis.

From the Business Review, you must know the data in the following categories:

- | | | |
|--|--------------------------------|----------------------|
| -Corporate Philosophy | -Description of the business | -Product definitions |
| -Organization structure | -Current Target Market | -Demographics |
| -Product usage | -Sales data & trends | -Market share |
| -Direct & Indirect Competitors | -Product attributes (benefits) | -Life Cycle Phases |
| -Sales models & strategies | -Pricing & pricing trends | -Value Proposition |
| -Detailed Short & Long Objectives: Sales, Margin, Profit, and Marketing Objectives | | |
| -History, in all categories, for the past year, preferably the trends over three years | | |
| -Product opportunities and current issues/problems | | |

- **Meeting 2 - Agree Analysis**

The purpose of Meeting #2 is to ensure that the quality of the data analysis and key issues identification is high, by using the team to provide both challenge to and the building on of individual ideas that have been generated in the period between the first and second meetings

Objectives

- Agree on and fully understand the various analyses and data collections
- Generate a SWOT
- Agree again on the Marketing Plan objectives, the timetables, and on the overarching primary business growth objectives since if there is no growth, there's no business and there's no need for a marketing plan, marketing people, and certainly no need for a marketing plan.

Process. The VP of Marketing or Team Captain should first test for a team consensus on the materials and give opportunities for the team members to explain to the group what choices they made and why. Allowing some constructive changes on the material is very important at this stage.

Once the basic analysis is agreed, the team should work on producing a SWOT, again ensuring that there is total consensus on the output. Once the SWOT has been completed, the team should identify a small number of key issues that need to be improved on and growth opportunities that need to be exploited for the upcoming year.

The final activity of this session needs to be to agree on the pre-work that each team member should do, based on the Issues, Opportunities and SWOT, before the next team meeting

■ Prepare for strategy development

Before the group strategy making activity, each team member should do some level of individual preparation, the amount and content of which depending on the outcome of the analysis/SWOT meeting. The following are general issues that should usually be considered:

- Have the issues changed since last year? - How? - Why? Expected or not?
- Did the strategy work last year? - To what extent? -What can be learned?
- Has the Company strategy changed from last year? -How? -Why? -What does this mean for Marketing?

Taking this preparation activity seriously is important as it enables a much more productive strategy selection meeting, but it is often practically difficult to find the time, plus many people tend to overestimate their capacity for contributing without preparation.

▪ Meeting 3 – Selecting the Marketing Strategies

Meeting #3 is required to ensure that the objectives answer the key issues and that the strategy is developed to meet these objectives.

The purpose of the team meeting is to provide some “out of the box” thinking and challenge to the current business and marketing strategies and to get agreement on the direction that will be taken going forward. Detailed development of the strategy section is best done both during and after the team meeting through assignments given to one or two team members to actually write out what they believe were the takeaway strategies.

Objectives

Process. The Team Leader should ensure that the meeting starts with a restatement of the key issues and that these remain visible and accessible to the team throughout the development of the plan. Objectives need to be developed to answer the key issues and meet corporate requirements. This can be done with a simple four stage process:

1. **Analyze and state corporate constraints**
What does the strategy and budget require?
2. **Restate key issues**
3. **Set objectives with timeliness, responsibilities and metrics**
4. **Review Objectives**

Check that they meet corporate and market requirements

Brainstorming strategy options is a good approach as it helps people to think outside the current strategy. Comparison with the existing approach helps to generate further issues. Options can then be considered in terms of:

- **Feasibility** - can we afford it? Do we have the right resources and skills?
- **Suitability** - will it meet our objectives? At what level of risk? Is it effective and efficient? Does it need to be?
- **Acceptability** - will key corporate or market place stakeholders object or obstruct? Why?
- **Robustness** - If market or corporate conditions change, can the strategy be adapted? How sensitive is success to planning assumptions?

Strategic Marketing Choices

The most difficult task for any management team-senior managers of the company or members of the Sales and Marketing teams is to make choices among a variety of strategic options. Brainstorming and discussing the various options is exciting and fun, but the real management critical task is to make the few, real strategic choices that will define the success for the business through the choosing of a few marketing strategies.

Just to be clear, marketing strategies are the primary directions that the marketing department is making. Tactics fit into Strategies and Activities fit into Tactics. Typically, unless they are proved to be a wrong selection, strategic choices will be in place for 18-24 months, while tactics will be for the period of a few to four quarters before they need to be recast.

Merely to identify a few of the strategic choices (all of which sound very good, of course):

- Build a market or steal share
- National, regional or local strategies
- Seasonal strategies
- Competitive strategies
- Target Market strategies
- Product strategies
- Packaging strategies
- Pricing strategies
- Distribution or Coverage strategies
- Promotion strategies
- Spending strategies
- Messaging (advertising, PR, Media) strategies
- Merchandising strategies
- Publicity strategies
- R&D, Engineering and Product Development strategies

...just to outline the most common

Final strategy selection can be made by eliminating extreme options and ranking the remainder. Once a strategy has been agreed to by the team, work can be allocated to team members to develop the ideas and write the strategy section of the plan.

▪ **Finalize strategy section**

Developing the details of the strategy section is probably best done either by all team members working individually or by using a nominated team member as a writer and the rest as reviewers. Whichever way it is done, the section will need to be consolidated and reviewed before action planning is started.

▪ **Meeting 4 - Action Planning**

Meeting #4 is required to ensure that the actions and tactics are co-ordinated across the area and that the linkage to sales planning is explicit and effective. A key requirement is to check that the planned actions fit within the strategy and meet the company's objectives.

Objectives

- Translate strategy into actions
- Agree on exact linkage to Sales Planning where sales objectives must be...
 - Challenging - Attainable - Measurable
 - Time specific - More than dollars - Customer-focused
 - Market-relative - In line with trends - Innovative

Process. In translating the strategy into actions, resource constraints are the key. For this reason, the team need to identify early any "exceptional" or one-off activities that will need to be accommodated within the plan. Marketing Planning of a new product launch, or even product and service extensions, is the most common of these events. The planning process could then be approached as follows.

- Plan for product launch activities and other "one-off" events
- Plan for in-market product marketing activities
- Develop linkage to sales planning
- Review and agree responsibilities for plan elements
- Review and agree in outline resource requirements
- Check that plan elements meet goals/objectives

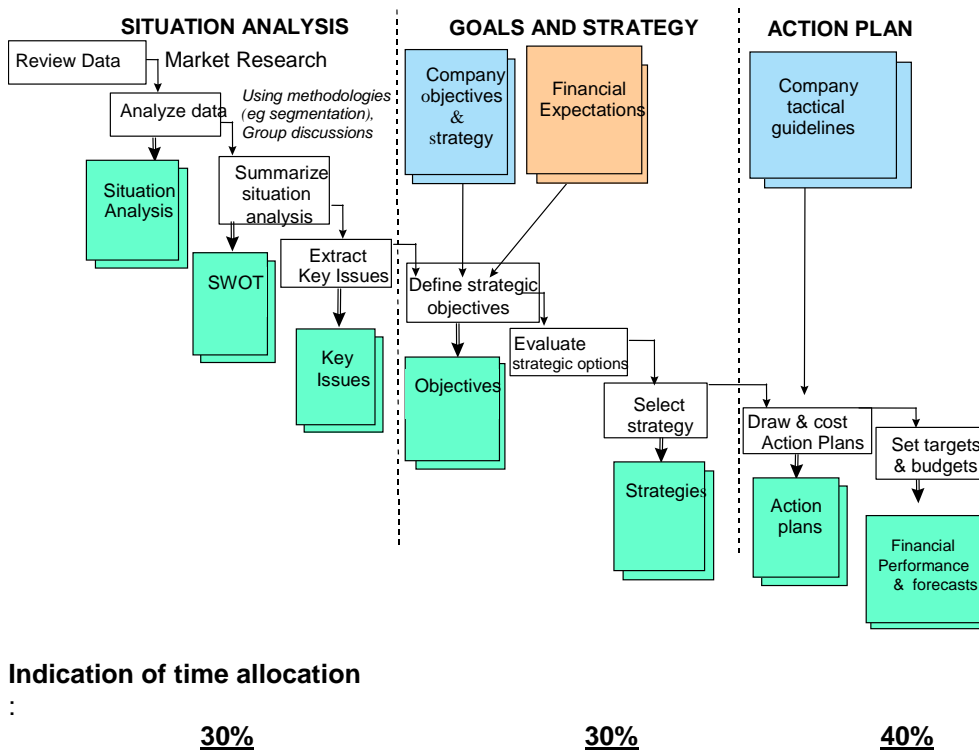
If agreement can be achieved on all the major points, detailed planning and refining resource requirements is best achieved by working on an individual basis and consolidating and integrating the results.

- **Plan Consolidation and Integration**

Integrating and consolidating the final plan is probably best achieved by one or two team members working on the total document to ensure consistency. However, before finalization of the plan, it must be reviewed by all of the team members. A final face-to-face meeting will be required. Once the plan is reviewed and agreed it can then be issued.

- **Graphical summary of the Marketing Planning**

The following charts summarize the main steps in the process of preparing and writing Marketing Plans. It also gives indicative estimates of how much time you should spend at each stage.



▪ Positioning

By “positioning”, we mean creating an image for your products in the minds of the target customers in their target markets. Within the target market, you must establish the desired perception of your products relative to the competition. Remember, it is to the specific target market and its personas, not the whole world, that positioning is used to differentiate your product.

Positioning is the basis for all of your communications-branding, messaging, advertising, packaging, value propositions, sales tools, merchandising, PR and publicity

Three Factors to Consider

1. The inherent value to the customer of the product you are selling is critical
2. The needs and wants of the target markets
3. The competition

Types of Positioning

- Position by product differences-What is meaningful different to perceived value?
- Position by Key Attributes and Benefits-What is it that customers will consider meaningful?
- Position (very carefully) by price
- Position by types of users-direct messaging to the specific personas
- Position by the specific usage-When, how will it be used, ease, frequency?
- Positioning counter to a category- Zipcar compared to owning or leasing
- Position by association-Associate with a cause or another brand name
- Position by problem

In order to do a positioning assessment as objectively as possible, consider a mapping exercise.

First, list the product attributes (a few examples would be Quality, Value, Price, Selection, Service, Delivery, Appearance) of your product by importance as perceived by your target personas today. Rank these on the vertical axis of your grid from ‘Most Important’ at the top, to ‘Least Important’ on the bottom. Then at the bottom of the grid, ranked horizontally, create a “Competitive Rating” moving from the left, marked “Worst” to the far right, marked “Best”

When you’ve completed this, then do the same for your primary competitors

You are going to build two series of maps for both your existing customers and for your non-customers

Once you have completed both of those maps, then mark on the maps the positions where you want to move to in the future, which is the time horizon allocated to this marketing plan. You may choose a future position which is three or five years away, but your marketing plan will need to allocate resources that will be devoted to achieving this position over time.

Once this basic mapping is completed, then it's time to write out your positioning strategies (primary directions) that you are going to use. It's expected that you will most likely write out more than one positioning strategy so that you can compare strategies with those being used by the competition and also reflect meeting the customers' needs the best.

These positioning statements should be short, to the point and succinct

Creating Meaningful Value Propositions

A Value Proposition is a marketing tool of a perfected message that is typically provided to the Sales organization. Rather than the salespeople talking to prospects about their products and services, discussing the value that is provided by those products or services is proven to be a much more effective component of the selling process.

In terms of construction, the Value Proposition is a short statement of the actual business value that is provided to the customer stated in terms of the Business Drivers that are affected, the movement of those Drivers and the Metrics by which the Business Drivers will be affected.

"Our software significantly increases (Movement) sales productivity (Business Driver) by approximately 20% over the period of 12 months (Metric) following a successful installation and training process."

"The [Product Name] food processing equipment decreases (Movement) the switch out time (Business Driver) by 25% (Metric) while also decreasing (Movement) wastage (Business Driver) by up to 10% over the period of a 12-hour shift (Metric)."

Value Proposition sound very easy, but are actually complex to construct, but even much more difficult to get the salespeople (who love to talk about these products or their services) to consistently use them. In fact, our research shows that the #1 sales tool used by successful B2B salespeople is their effective use of their Value Proposition. Conversely the #1 reason weak salespeople fail is they do not effectively and consistently use their Value Propositions.

Typically, the Value Proposition of Drivers + Movement + Metrics is then followed by an illustrative example of successful customer (who may or may not be named) in either the same or a tangent industry.

▪ Segmentation and Branding Methodologies

One of the key objectives for any Marketing Plan is to better understand the needs of the customers. In support of that aim, two marketing methodologies

1. Customer Segmentation and
2. Branding & Messaging are presented in this section of the manual.

For both customer segmentation and branding, the company's strategies should provide guidance on the extent of a global implementation, for example. Should this marketing plan and company strategy be worldwide, focused in countries that would be less than worldwide or be specific merely to the US, not in theory, but in practice and to what extent and over what timetable?

Guidance:

For customer segmentation, the planning team should **first** outline segmentation criteria for customers based on qualitative factors (e.g. group/segment customers based on their behavioural characteristics that help determine prescription patterns). The planning team needs to define the various Personas to whom they are selling naming each of them so that they clearly understand the buying factors.

Having done this, the planning team **then** needs to develop local segmentation criteria based on quantitative factors (e.g. unit sales by type of customer.).

Finally, the planning team needs to apply to the selected qualitative segmentation factors a tactical approach that reflects customers' needs and provides an effective means of selecting and targeting the most attractive segments for the Company.

- **For branding**, the planning team should define the brand values that meet the needs of the various personas in all markets meaning both in each of the U.S. regions and in other countries. The team then needs to deploy a corporate branding strategy where applicable and also adapt it and the related messaging where required, to meet the local needs of the market.
- At this point, the segmentation and branding processes come together. This then allows the positioning of products within the targeted customer segments, to implement the brand locally and to develop a marketing mix that meets the needs of the customer segment.

▪ Customer Segmentation Methodology

What is market segmentation?

This is the process of splitting customers, or potential customers, within a market into different groups, or segments, within which customers have the same or similar requirements.

Why segment?

A company that decides to operate in a broad market recognizes that it normally cannot serve all the customers in that market. The customers are just too numerous, dispersed, and varied in their buying requirements. The company, instead of competing everywhere needs to make decisions to identify the most attractive segments that it can serve effectively and efficiently. Therefore, segmentation has many benefits:

- To assess the attractiveness of customers segments to help define focus that will be critical in messaging, in tactical implementation and in action planning
 - Not every customer or every customer group has the same potential
 - There is a greater opportunity to get more out of limited resources by focusing on high potential customers
 - Each segment-specific strategy will require specific tactics and action planning.

What are the key characteristics of a good segmentation?

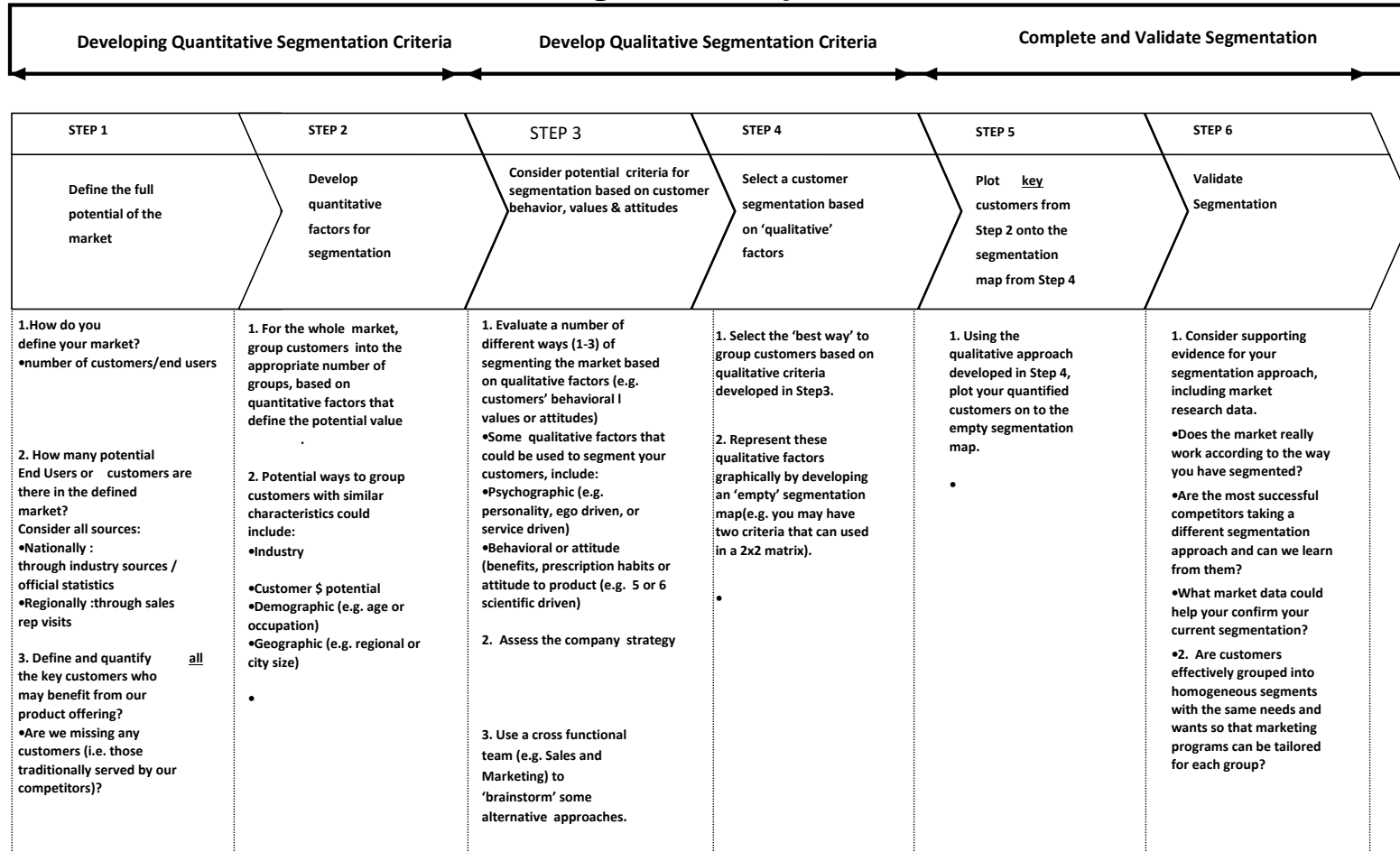
The segmentation process is one of the first steps in approaching a market and a good segmentation scheme must be such that:

- the needs within one segment are similar
- the needs from segment to segment are significantly different
- the segments are measurable (definable), accessible and actionable
- the segments should make sense for the local market

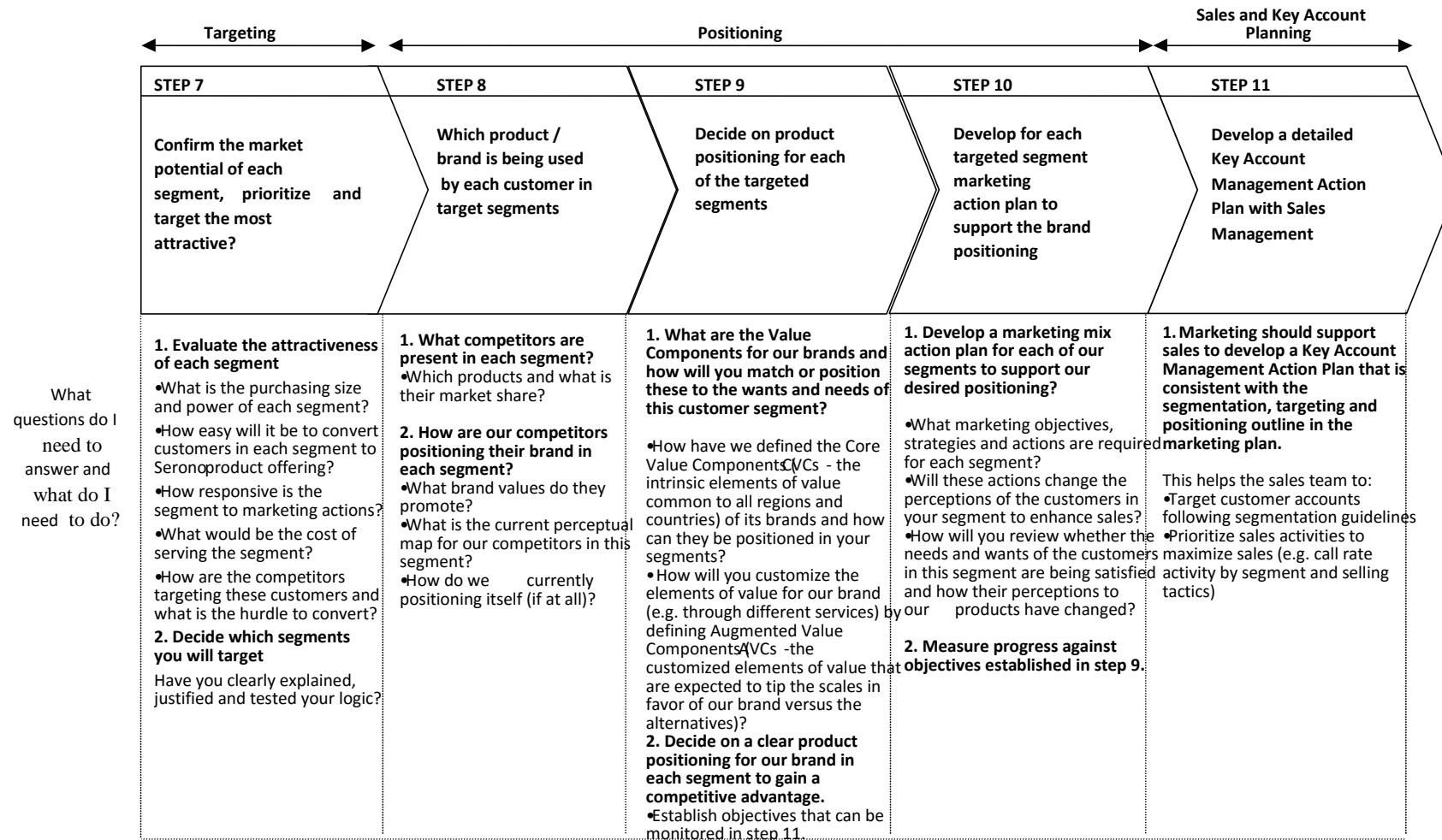
How should we effectively segment our customers?

A common customer segmentation targeting and positioning process has been developed (see the two Figures-Sections #1 and #2 below). This methodology has been developed as a tool to help segment customers. In this way, the process is designed to be as practical as possible, to provide a systematic way of approaching the segmentation of your market. The process has been split into two parts, Customer segmentation (described in the first section and targeting and positioning described in the second.)

Section #1: A common customer segmentation process



Section #2: Targeting and positioning process



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- **The customer segmentation process (Section #1-Steps 1-6)**

Developing customer segmentation using quantitative factors (Steps 1-2):

The first two steps of the segmentation methodology involve the gathering of quantitative information (unique to the market) to define the full potential of the market and to develop a way of segmenting the market, based on these quantitative factors.

Developing customer segmentation using qualitative factors (Steps 3-4):

Steps 3 and 4 of the segmentation process consider (and select) additional ways of segmenting customers based on qualitative factors such as customer behavior, values or attitudes. As these qualitative factors may be common across all or many of your global markets, you should first look for guidance from your own company business strategy before you develop your segmentation. This part of the process should develop a framework or a 'segmentation map' based on qualitative factors that quantified customers can be plotted on to in step 5 of the process.

Plot key customers to the segmentation map and validate segmentation (Steps 5-6):

The next stage of the segmentation process is to complete and validate the chosen qualitative segmentation.

The targeting (of segments) and positioning (within segments) process (Sections #2, Steps 7-11)

Once segmentation is complete, the next consideration is which segment(s) to target and how to position your product offering into the target segment. Steps 8 to 10 of the process consider the positioning of the brand(s) by segment and are the key links to the branding process as well as developing a marketing mix by segment.

- **Branding Methodology**

What is effective Brand or “Perceptual” Marketing?

Intimately knowing the values and needs of our customers... and then...ensuring that every element of the marketing mix is aligned behind creating, delivering and communicating the values which will trigger customers to prescribe our brand over our competitors.

Why is Perceptual Marketing or Branding important?

“Products often struggle to demonstrate major differences in terms of their technical benefits ... highlighting the need to obtain greater insight into user perceptions of brands, and factors motivating them to actually purchase and use”

“The company that fails to examine and monitor the equity of its brands in the consistently evolving technology markets, does so at its own peril”.

“Marketing Managers who don’t take account of the emotional factors in brand choice and prescribing miss the opportunity to maximize the value of their brands”

How do we become more customer focused?

Effective Brand or “Perceptual’ Marketing” is about intimately knowing the values and needs of our customers, which is Customer Focused compared to Product Focused

Product Focused	Customer Focused
<ul style="list-style-type: none">▪ Segment by products▪ Scientific focus▪ Relies on relationships; has difficulty disciplining sales force to provide useful reports & intelligence▪ Talks about product performance, factory volume/sales achieved▪ Knows competitive product features▪ Checks Marketing Plan only when it’s time for a new version.	<ul style="list-style-type: none">▪ Segment by customers▪ Focus on the value brought to the customer▪ Tracks market changes & modifies strategy based on market research & systematic collection of sales reports▪ Talks about customer needs, their uses & their customers.▪ Knows competitor strategy, assumptions, cost structure & objectives▪ Uses Marketing Plan to manage activities & invest effectively

What are the Key Elements to Brand Equity?

1. The physical element: perceived functionality

- Relative effectiveness of product is very important

- How well product advantages (key data, science) are communicated so that customers perceive that products offer superior value than those offered by competitors

2. The emotional element: developing affinity to a brand

- Trust and innovation
- Brand identification by means of nostalgia, pleasant association of successful treatment, bonding and sharing the users' values or perspectives

What are the Challenges with Branding?

Consumers buy products but they **choose brands**. **Consumers form relationships with brands**, not products, and not corporations.

The performance of the product, what it does, and how it does it, is the core identity of the brand. But the brand also has a distinctive personality and character that makes an emotional and trust-based connection with the consumer and distinguishes it from competitive brands.

Source: Winning with P&G

How can we more effectively brand our product offering to meet customer needs?

A common branding process has been developed (see the graphic figure below) as a key methodology to assist marketing teams to prepare their Marketing Plan. This process has been designed to be as practical as possible, to provide a systematic way of considering branding in individual markets. This process is primarily driven by the senior management planning team in order to develop a consistent world-wide brand image. The branding process is not limited to a particular section of the Marketing Plan; it has components that are located in the situation analysis (e.g. understanding customer's perceptions and values), objectives and strategies (e.g. How are we going to close the perception gap?) and action plans.

- **The branding process (see Figure A below, Steps 1-8)**

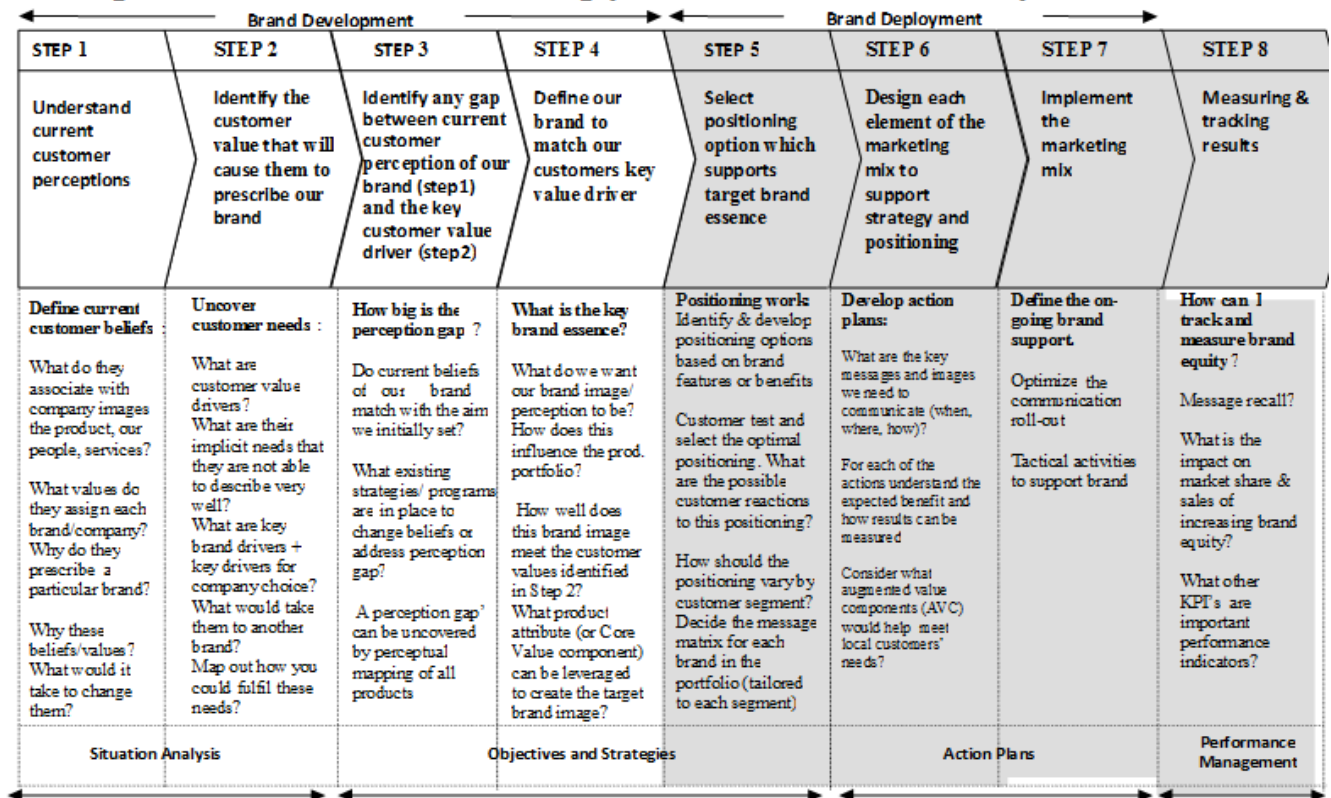
Brand Development (steps 1-4):

The starting point for the branding process is to understand the customer's current perceptions of brands, and the customer's values that cause them to prescribe a particular brand (e.g. market research to help map out customer's perceptions of brands). The next step is to identify any gap between current customer perception of our brand (step 1) and the key customer value driver (step 2). Indeed, this gap can be visualized through the use of a perceptual map... The final step of brand development is to define the key brand essence of our brand to match customers' key value drivers (step 4). What product attribute (or Core Value Component (CVC) can be turned into an advantage and match customer beliefs / needs?

Brand Deployment and Tracking (Steps 5-8):

Steps 5-8 of the processes are deployed locally. The brands need to be positioned by customer segment and a marketing mix developed to support the positioning.

Figure A: A common branding process for established products



Glossary of Terms and Issues Worksheet

▪ Glossary of Marketing Planning Terms:

AVC (Augmented Value Components). The AVCs are the customized elements of value for the brand that are expected to tip the scales in favour of our brand versus the alternatives from the competitors. These are often developed locally.

Assumptions. The major market assumptions (e.g. estimated future market growth rates) on which the Marketing Plan is based.

Core Marketing Model. One of the tables, diagrams or graphs that is considered an essential component of the Marketing Plan.

Customer. An individual or organization that can materially impact the process of delivering prescriptions.

Critical Success Factors (CSF). The relatively few factors that determine success.

CVC (Core Value Components). The CVCs are the intrinsic elements of value for the brand common to all regions and countries.

Implications. The potential result(s) arising from a particular action.

Issue. Opportunities for which the company is not competitive, and or/threats.

Key Issues. The few most critical market issues (typically 3-5 identified from the SWOT analysis) that need to be addressed and overcome for business success.

Market Segment. A group of actual or potential customers who can be expected to respond in approximately the same way to a given offer. A finer more detailed breakdown of a market.

Marketing Objectives. A statement of the targets or goals to be pursued and achieved within the period of the Marketing Plan. Where do we want to go/be?

Marketing Plans. The outcome of the Marketing Planning process. A good discipline in preparing 'internally consistent' Marketing Plans is to use the following format:

SWOT/Issues > Objectives > Strategy > Specific Actions or Tactics

Marketing Plan Skeleton. A formatted word document to assist Marketing Planning.

Marketing Actions Tactics/Programs. The actual concrete steps to be taken to achieve the marketing strategy.

Marketing Strategy. A description of the course of action to be taken to achieve a specific marketing objective. The strategy is often referred to as the connecting link between marketing objectives and marketing tactics.

Measure. Quantitative (not necessarily financial) measurement of the impact of the activity.

Opportunity. A feature of the market environment that is commercially attractive.

Product Positioning. The process of selecting, and matching the customer segment of the market with a product that will be most compatible (to meet the needs of those customers). One of the major objectives of product positioning analysis is to discover how well your product is perceived by customers to meet their needs in relation to the competition.

Qualitative Segmentation criteria. Criteria used to segment the market, which are not derived from quantified market statistics (e.g. customer behaviour).

Quantitative Segmentation criteria. Criteria used to segment the market which are based on a definite amount or number (e.g. geographical market statistics such as patient numbers by region.)

Segmentation. A finer more detailed breakdown of a market, by splitting customers or potential customers into different groups or segments, within which customers have the same or similar requirements.

Situation Analysis. Reviews the business environment (with particular attention to market, competitive and economic aspects) as well as the company's own internal operation.

Strength. Elements within the company's control that are considered stronger than those of its' competitors.

SWOT Analysis. The SWOT is a summary of the Strengths, Weaknesses (of the company), Opportunities and Threats (from the market environment) emanating out of the marketing audit.

Threat. A feature of the market environment which is unattractive because it could have a damaging impact. It could be either through reducing market potential or through closing the window of opportunity.

Value Proposition. A short statement of the actual business value that is provided to the customer stated in terms of the Business Drivers that are affected, the movement of those Drivers and the Metrics by which the Business Drive will be affected. Typically, the Value Proposition of Drivers + Movement + Metrics is then followed by an illustrative example.

Weaknesses. Elements within the company's control that are thought to be weaker than that of its competitor(s).

- **Issues Worksheet**

Marketing Planning Key Issues Worksheet
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Section	Proposed key issues arising from analysis for discussion	Identified by
<u>Market Analysis</u>		
Definition of market dynamics		
Environmental forces analysis		
<u>Customer analysis</u>		
Stakeholder analysis and customer pipeline and volume analysis		
Customer analysis and segmentation		
<u>Competitive Situation and Product Information</u>		
Competitive analysis		
Product Information		
Others		

In Conclusion:

What we have provided here is a framework for you to think about and hopefully. At the very least it provides you with the necessary questions that you need to answer if you expect to be able to use your Marketing Plan for something more than a document that you prepare once a year for the purpose of presenting it to your board and investors.

From our experience, we've found that the real benefit of creating a Marketing Plan is for marketing management and all of the senior managers to be able to have a robust and actionable set of highly integrated plans that should be able to change the direction of your company over the long term and provide a roadmap for success in the short term.

We also don't expect that you should be able to use this document without questions or your own set of ideas, so make sure that you give us a call or email us.

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