



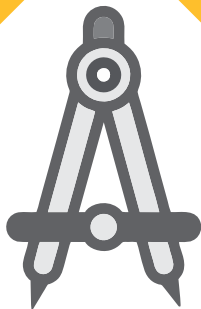
Information Booklet

## Sales and Marketing

# 13

# MARKETING PLAN

for SMEs



## Introduction

**Small and Medium Enterprises Development Authority (SMEDA)** works under the Ministry of Industries and Production, Government of Pakistan and was established in 1998 with the objective to propel economic growth through development of SMEs. SMEDA serves as an SME strategy-advisory body for the Government of Pakistan and facilitates partners in meeting their SME development agendas.

SMEDA envisions growth of a globally competitive SME sector (in Pakistan), through creating an enabling environment and support services for increase in the national economy. SMEDA strives to achieve this vision by providing assistance in employment generation and value addition to the national income, through development of the SME Sector, by helping increase the number, scale and competitiveness of SMEs.

National Business Development Program for SMEs (NBDP) is a project of SMEDA which intends to provide hands-on support services to SMEs. The aim of this business development support provided by NBDP is to advance new businesses and improve efficiencies in existing SME value chains to empower them to contend in global market. NBDP expects to facilitate around 314,000 SME beneficiaries over the period of five years.

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## Objectives

- To explain concept, role and importance of the marketing plan.
- To highlight important components of a marketing plan including products, customers, competitors etc.
- To elaborate process of developing an effective marketing plan.

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## a Concept, Importance and Role of Marketing Plan in SMEs

Marketing plan specifies in detail marketing objectives of a business and how the management will use tools such as product design, channels, promotion, and pricing to achieve these objectives. A marketing strategy lays the foundation for a practically feasible marketing plan.



1

A marketing plan is part of an overall business plan.

2

Marketing plan links the firm to markets.

3

It is a foundation for all business planning.

### A Good Marketing Plan

1

Contains list of actions, with a sound strategic foundation in line with the overall business plan of the SME.

2

Lays emphasis on the allocation of marketing resources in the best and most economical way.

3

Gives an intelligent direction of marketing operations.

4

Involves the preparation of policies, programs, budgets etc., in advance for carrying out the various activities and functions of marketing to attain the marketing goals.

### Importance of Market Plan for SMEs

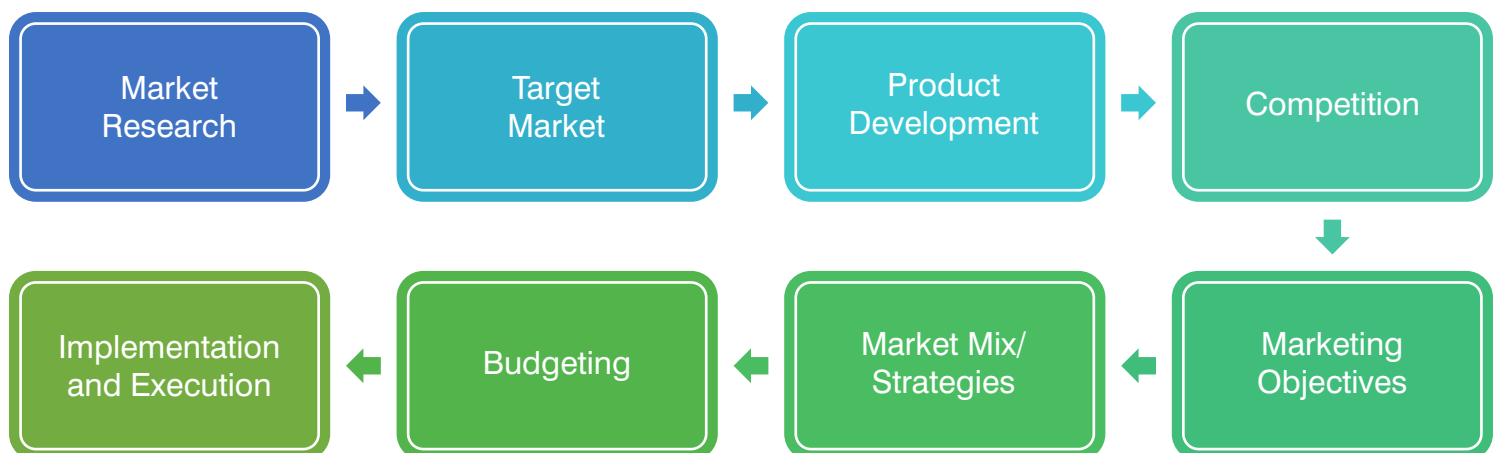


- Marketing Plan is a comprehensive blueprint which outlines overall marketing efforts of a business.
- It provides a formal and systematic approach towards the planning of all marketing activities.
- It is a forward-looking and dynamic strategy designed to promote market-oriented or consumer-oriented business actions.
- Marketing plan helps to take market-based actions regarding the future with the object of minimizing risks.

## Different Parts/Components of a Marketing Plan

Marketing plan is a systematic description of actions and activities to explore and access the market for product and services. It has the following components:

- 1 Market Research** Collect and organize the data about the market that is currently buying the product(s) or service(s) intended to be sold.
- 2 Target Market** Start with describing the broader market, identify niche or target markets for the product and describe them, specifically.
- 3 Product** Layout the complete product including the core product, outer or extended product and packaging details.
- 4 Competition** Describe the competition in detail along with their market share and pricing, promotion and placement strategies.
- 5 Marketing Objectives** These are of two types, related to the business and related to the marketing effort that define the marketing objectives.
- 6 Market Strategies** Express access to market strategies, particularly placement initiatives as well as pricing, positioning and branding initiatives in detail.
- 7 Budget** Provide clear assessment of expected costs to be incurred and their source of funding.
- 8 Implementation** Define the implementation modalities completely with monitoring and review arrangements.



Developing a marketing plan is a very customer centric experience. An entrepreneur needs to pursue the following line of action while designing a marketing plan.

- Who their customers are?
- Customer's decision-making process
- The degree to which their offering attracts customers
- Pricing strategy
- How to reach customers?
- Cost (in time and resources) to acquire a customer
- Cost to produce and deliver the product or service
- Cost to support a customer
- Ease of retaining a customer



## C

### Steps Involved in Developing a Marketing Plan

#### i. Defining Business Goals



A marketing plan needs to be aligned with the overall business objectives and goals. Business goals describe what a business expects to accomplish over a specific period of time. Businesses usually outline their goals and objectives in their business plans. Goals might pertain to the business as a whole, departments, employees, customers, or any other area of the business.

#### ii. Defining Target Customers & Audiences

Targeting a specific market does not mean to exclude people who do not meet a specific criterion. Instead, targeted marketing allows to focus the message on the right market – and the people who are most likely to buy from the business. With a target audience definition to work with, less can be spent, and more can be earned by reaching the most valuable leads in the network. Learning how to identify target audience personas ensures to take the business to market in the most cost-effective and efficient way.

#### iii. Conducting a SWOT Analysis

Similarly, for defining the marketing plan every business has to take stock of the business environment. A SWOT analysis is used to identify the Strengths, Weaknesses, Opportunities, and Threats relative to the business. It allows to focus on specific areas and discover actions that can help build on strengths, minimize or eliminate weaknesses, maximize opportunities, and confront threats.



# How to Conduct a SWOT Analysis for Your Small Business

What do you do well?

**S**  
STRENGTHS



**W**  
WEAKNESSES



Where do you need to improve?

What are your options?

**O**  
OPPORTUNITIES



**T**  
THREATS



What obstacles do you face?

## iv. Setting Goals and Budget

The purpose of a marketing budget is to put together all the costs involved in marketing into one comprehensive document. It is a tool that signifies what is needed to be spent to achieve our marketing goals.

Creating and sticking to a budget is the best thing that can be done to get on track financially.

Examining the annual budget can help to recognize larger spending problems or patterns, financial priorities, or even changes in circumstance, all of which affect the business goals.



## v. Creating an Implementation Plan

Plans only have validity if they are actually used to manage the progress of a business. Their success lies in their implementation. An implementation plan is necessary for execution of the business plan. A good implementation plan covers milestones and tasks for the business to achieve as well as what resources will be required to make them happen.



# STRATEGY OF EXECUTION



## vi. Monitoring and Measuring Outcomes

Write down the tasks that need to be accomplished and prioritize them. A well thought to-do list helps to effectively implement all stages of the plan. Creating the prioritized list will make the marketing plan far more effective or successful. It is important to ensure that the results are being measured so that the plan can be adjusted accordingly. As the business makes progress on some fronts, the priorities may shift, and the management needs to be open to make those shifts.



### Example and Template of Marketing Plan

Business Name Here		Year
"THEME"		
Category	Strategy	
Target Market	Description and size	
Positioning Statement	Product and market position, USP or PODs	
Offering to customers	Value proposition	
Price Strategy	'Value for money' or 'best in category' etc.	
Distribution	Maximum sales or optimum cost of distribution etc.	
Sales Strategy	Reaching sales targets within budgets	
Service Strategy	Customer Satisfaction level	
Promotion Strategy	Outreach and awareness	
Marketing Research	Regular customer based	
Marketing budget	Including the advertising and promotional plan	
Any other component of marketing plan	Sales forecast for the next 12 months	



## Conclusion

A marketing plan is an outline of the set of action and activities to achieve the marketing goals. The marketing goals are usually aligned with the broader objectives of the business. Marketing plan specifies in detail marketing objectives and how business will achieve these objectives. It also helps to take market-based actions regarding the future of business.





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