**LEARNER GUIDE**

**Meet marketing performance standards**

Unit Standard 252194

Level 4 Credits 4

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PERSONAL INFORMATION

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| **CONTACT ADDRESS** |  |
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| **Code** |  |
| **Telephone (H)** |  |
| **Telephone (W)** |  |
| **Cellular** |  |
| **Learner Number** |  |
| **Identity Number** |  |
|  |
| **EMPLOYER** |  |
| **EMPLOYER CONTACT ADDRESS** |  |
|  |
| **Code** |  |
| **Supervisor Name** |  |
| **Supervisor Contact Address** |  |
|  |
| **Code** |  |
| **Telephone (H)** |  |
| **Telephone (W)** |  |
| **Cellular** |  |

INTRODUCTION

#### Welcome to the learning programme

Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take notes and share information with your colleagues. Important and relevant information and skills are transferred by sharing!



This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you!

Structure

### Programme methodology



The programme methodology includes facilitator presentations, readings, individual activities, group discussions and skill application exercises.

Know what you want to get out of the programme from the beginning and start applying your new skills immediately. Participate as much as possible so that the learning will be interactive and stimulating.

The following principles were applied in designing the course:

* Because the course is designed to maximise interactive learning, you are encouraged and required to participate fully during the group exercises
* As a learner you will be presented with numerous problems and will be required to fully apply your mind to finding solutions to problems before being presented with the course presenter’s solutions to the problems
* Through participation and interaction the learners can learn as much from each other as they do from the course presenter
* Although learners attending the course may have varied degrees of experience in the subject matter, the course is designed to ensure that all delegates complete the course with the same level of understanding
* Because reflection forms an important component of adult learning, some learning resources will be followed by a self-assessment which is designed so that the learner will reflect on the material just completed.

This approach to course construction will ensure that learners first apply their minds to finding solutions to problems before the answers are provided, which will then maximise the learning process which is further strengthened by reflecting on the material covered by means of the self-assessments.

#### Different role players in delivery process

* Learner
* Facilitator
* Assessor
* Moderator

### What Learning Material you should have

This learning material has also been designed to provide the learner with a comprehensive reference guide.

It is important that you take responsibility for your own learning process; this includes taking care of your learner material. You should at all times have the following material with you:

|  |  |
| --- | --- |
| **Learner Guide** | **This learner guide is your valuable possession:**This is your textbook and reference material, which provides you with all the information you will require to meet the exit level outcomes. During contact sessions, your facilitator will use this guide and will facilitate the learning process. During contact sessions a variety of activities will assist you to gain knowledge and skills. Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take and share information with your colleagues. Important and relevant information and skills are transferred by sharing!This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you! |
| **Formative Assessment Workbook** | The Formative Assessment Workbook supports the Learner Guide and assists you in applying what you have learnt. The formative assessment workbook contains classroom activities that you have to complete in the classroom, during contact sessions either in groups or individually.You are required to complete all activities in the Formative Assessment Workbook. The facilitator will assist, lead and coach you through the process.These activities ensure that you understand the content of the material and that you get an opportunity to test your understanding.  |

### Different types of activities you can expect

To accommodate your learning preferences, a variety of different types of activities are included in the formative and summative assessments. They will assist you to achieve the outcomes (correct results) and should guide you through the learning process, making learning a positive and pleasant experience.



The table below provides you with more information related to the types of activities.

| **Types of Activities** | **Description** | **Purpose** |
| --- | --- | --- |
| **Knowledge Activities** | You are required to complete these activities on your own.  | These activities normally test your understanding and ability to apply the information. |
| **Skills Application Activities** | You need to complete these activities in the workplace  | These activities require you to apply the knowledge and skills gained in the workplace |
| **Natural Occurring Evidence** | You need to collect information and samples of documents from the workplace. | These activities ensure you get the opportunity to learn from experts in the industry.Collecting examples demonstrates how to implement knowledge and skills in a practical way |

### Learner Administration



#### Attendance Register

You are required to sign the Attendance Register every day you attend training sessions facilitated by a facilitator.

#### Programme Evaluation Form

On completion you will be supplied with a “Learning programme Evaluation Form”. You are required to evaluate your experience in attending the programme.

Please complete the form at the end of the programme, as this will assist us in improving our service and programme material. Your assistance is highly appreciated.

### Assessments

The only way to establish whether a learner is competent and has accomplished the specific outcomes is through the assessment process. Assessment involves collecting and interpreting evidence about the learners’ ability to perform a task.

To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.

This programme has been aligned to registered unit standards. You will be assessed against the outcomes as stipulated in the unit standard by completing assessments and by compiling a portfolio of evidence that provides proof of your ability to apply the learning to your work situation.



**How will Assessments commence?**

#### Formative Assessments

The assessment process is easy to follow. You will be guided by the Facilitator. Your responsibility is to complete all the activities in the Formative Assessment Workbook and submit it to your facilitator.

#### Summative Assessments

You will be required to complete a series of summative assessments. The Summative Assessment Guide will assist you in identifying the evidence required for final assessment purposes. You will be required to complete these activities on your own time, using real life projects in your workplace or business environment in preparing evidence for your Portfolio of Evidence. Your Facilitator will provide more details in this regard.

To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.

### Learner Support

The responsibility of learning rests with you, so be proactive and ask questions and seek assistance and help from your facilitator, if required.



Please remember that this Skills Programme is based on outcomes based education principles which implies the following:

* You are responsible for your own learning – make sure you manage your study, research and workplace time effectively.
* Learning activities are learner driven – make sure you use the Learner Guide and Formative Assessment Workbook in the manner intended, and are familiar with the workplace requirements.
* The Facilitator is there to reasonably assist you during contact, practical and workplace time for this programme – make sure that you have his/her contact details.
* You are responsible for the safekeeping of your completed Formative Assessment Workbook and Workplace Guide
* If you need assistance please contact your facilitator who will gladly assist you.
* If you have any special needs please inform the facilitator

### Learner Expectations

Please prepare the following information. You will then be asked to introduce yourself to the instructor as well as your fellow learners



|  |
| --- |
| Your name:  |
|  |
|  |
| The organisation you represent:  |
|  |
|  |
| Your position in organisation:  |
|  |
|  |
| What do you hope to achieve by attending this course / what are your course expectations? |
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# UNIT STANDARD 252194

#### Unit Standard Title

Meet marketing performance standards

#### NQF Level

4

#### Credits

4

#### Purpose

The person credited with this unit standard will be able to establish marketing objectives and demonstrate an understanding of marketing performance. They will also be able to report on progress regarding marketing objectives.

The qualifying learner is capable of:

* Marketing objectives are established.
* Demonstrating an understanding of marketing performance standards.
* Following instructions to meet standards.
* Reporting on marketing objectives progress.

#### Learning Assumed To Be In Place And Recognition Of Prior Learning

Learners accessing this unit standard will have demonstrated competence in:

* Communication at NQF Level 3 or equivalent.
* Mathematical Literacy at NQF Level 3 or equivalent.

#### Unit Standard Range

* Performance standards including outputs, outcomes, safety, cost, time, behaviour, results, key result areas and key performance indicators.
* Marketing including all forms of marketing communications, direct marketing and relationship marketing, sponsorship, event marketing, sales promotions, public relations and alternative strategies.
* Media will include all electronic, print, outdoor, digital media, e-media and direct media.
* Reports on progress including verbal, written or electronic.

Specific Outcomes and Assessment Criteria**:**

**Specific Outcome 1**

Marketing objectives are established.

**Assessment Criteria**

* Objectives are identified, listed and explained for a given marketing project.
* Time frames for meeting objectives are identified and listed.
* Performance standards are identified from objectives.
* Performance instructions are identified and explained for a given marketing project.

**Specific Outcome 2**

Demonstrate an understanding of marketing performance standards.

**Assessment Criteria**

* Marketing performance standards are identified and listed as required by the organisation.
* Responsibilities arising form marketing performance standards are identified and explained with examples.
* Marketing performance standards are agreed to by all parties.

**Specific Outcome 3**

Follow instructions to meet standards.

**Assessment Criteria**

* A plan to follow and meet instruction is developed according to organisational requirements.
* Instructions are carried out in order to meet performance standards.
* Feedback on progress is given to authorised individuals according to requirements

**Specific Outcome 4**

Report on marketing objectives progress.

**Assessment Criteria**

* Progress towards meeting marketing objectives is monitored and evaluated at pre-determined intervals.
* Progress is reported within agreed time frames and is presented concisely to aid decision-making.
* Recommendations for improvements are made and make provision for both long- and short-term objectives.

#### Unit Standard Accreditation And Moderation Options

* An individual wishing to be assessed (including through RPL) against this Unit Standard may apply to an assessment agency, assessor or provider institution accredited by the relevant ETQA.
* Anyone assessing a learner against this Unit Standard must be registered as an assessor with the relevant ETQA.
* Any institution offering learning that will enable achievement of this Unit Standard or assessing this Unit Standard must be accredited as a provider with the relevant ETQA
* Moderation of assessment will be conducted by the relevant ETQA at its discretion.

#### Unit Standard Essential Embedded Knowledge

* A comprehensive understanding of company/organisation marketing goals and objectives.
* A broad understanding of organisational performance standards and key result areas.
* A comprehensive understanding of reporting methods and techniques.
* A basic understanding of progress measurement methods and techniques.

#### Critical Cross-field Outcomes (CCFO):

**Unit Standard CCFO Identifying**

Identify and solve problems related to the achievement of marketing performance standards.

**Unit Standard CCFO Organising**

Organise oneself and one's activities to create alternative activities in the event of current activities failing.

**Unit Standard CCFO Collecting**

Collect, evaluate, organise and critically evaluate information related to the goals and objectives so that these are accurately interpreted into marketing performance standards.

**Unit Standard CCFO Science**

Use science and technology in meeting marketing performance standards.

**Unit Standard CCFO Demonstrating**

Understand the world as a set of related systems in which marketing goals and objectives are interrelated to the overall success of the organisation.

# ESTABLISHING MARKETING OBJECTIVES

#### ***Specific Outcome 1***

Marketing objectives are established.

#### ***Assessment Criteria***

* Objectives are identified, listed and explained for a given marketing project.
* Time frames for meeting objectives are identified and listed.
* Performance standards are identified from objectives.
* Performance instructions are identified and explained for a given marketing project.

## Identifying, listing and explaining your objectives

You have a product or a service that you have decided to market to the public. And you have a new business based on this product or service.

How can you get an audience with those you want to hear about your product or service?

First it's important for you to know what your true objective is. Of course you might say, "I want to make money." Or, "I want my product to become a household name and I want to sell a million of them!"

Marketing, however, is more than that. It's creating a desire for what you have to sell.

A good marketing campaign has people humming a tune or hearing the words to a company's jingle long after they have seen a product's commercial.

You may not have the advertising budget to hire a large agency so you will need to decide which method of advertising you will use based on a few factors.

One factor is, unfortunately, the amount of money you have to spend.

The methods of advertising you choose and whether you will be doing most of the work yourself or hiring it out depends on your budget.

And the type of advertising campaign you decide on might be determined by what you have to advertise.

The type of advertising campaign you use will also be determined by what your objective is.

Some questions you need to have the answers to:

* Do you want to sell products with the advertising?
* Do you want to find a licensee for your product, or do you want to move to the next step in the sales or licensing process with a manufacturer?
* Do you want to attract customers, investors or partners?
* Or do you want to generate sales of your services?

After you know what it is you want to accomplish, you must determine how to reach your target market.

Find out who would be interested in what you have to sell by doing market research and then focus your efforts on just those people who would be interested in your product or service.

For instance, if you decide a mass mailing is the way you want to handle the first phase of your advertising and you buy mailing lists made up of people who have no interest in what you are selling, you have wasted time and money.

Spending some time doing market research and finding just the right mailing lists probably would be more effective.

By the marketing stage in your business you should already know who your competitors are.

You have already designed and developed your product or service to fill a void in the marketplace not currently being met by competition.

You should always keep your eyes and ears open as to what the competition is doing so it's wise to tailor your marketing initiatives to meet and even exceed the needs of the marketplace you want to reach.

Within your objectives your timeframes must be identified as well.

By knowing what you want to achieve, you will also need to identify what timeframe you have to abide by in achieving these objectives.

The first step in developing a marketing plan is to create specific marketing objectives and write them down. What do you want your promotion efforts to do for you?

If you're selling herbs, for instance, perhaps you want to increase your monthly sales by 25 percent.

If you're a realtor, a good marketing objective might be to get 10 new listings each month. Your marketing objective can be to gain a new client each month.

Whatever marketing objective you set, be sure it's realistic; you need to be able to achieve the marketing objective if it's going to motivate you or serve as a good benchmark to evaluate your success. Now the hard part starts.

Under each marketing objective, write as many specific things as you can that you are going to do to achieve the objective. If you want to increase your monthly sales by 25 per cent, one thing you might do is place some ads.

But when you are working on your marketing objective list, you need to take the time to think it through so you'll be able to follow through effectively.

 Just "placing some ads" isn't specific enough to serve as a marketing objective. You have to consider what type of ads and where you might place them to increase your monthly sales.

For instance, you might write, "Place an ad describing specials in the local newspaper" as a marketing objective, or "put ad on a TV station".

Then you have specific actions to follow that will help achieve your marketing objective rather than just a vague idea.

Go over the list of specific activities you've brainstormed and check them against your marketing plan. Choose the ones that fit best with your marketing objectives and do the best job of targeting your potential clients or customers.

Then, using your calendar, decide which promotional activities you're going to do when. You can break your marketing plan down by month or by quarter, but be sure you include not only a description of the activity or event, but also a reference to which marketing objective the promotion activity or event is related to, and a cost estimate.

Once you set up your marketing plan, remember that it needs to be an organic, living document, not something you put into a nice folder and file somewhere and never look at again. Take fifteen minutes every day to review your goals and specific activities; what did you do that particular day to help you achieve the marketing objectives you've set?

What do you need to do tomorrow? Too often we make plans or list objectives and then get so enmeshed in all the things we have to do to run our businesses that we shunt them aside. Taking fifteen minutes a day to review your marketing objectives, marketing plan, and marketing activities goes a long way towards helping you stay focused and on track and market your products or services effectively.

 From the objectives which you have identified in your marketing objectives, you need to go one step deeper and actually specify the performance standards from the objectives which you have set for yourself.

Rather than just saying you need to up your sales by the end of the year, and you will achieve this by advertising in the local newspapers, you need to identify the specific, measurable goals.

This is done by breaking the goals down into smaller5, measurable pieces and setting intermittent goals where you can measure your progress and, if need be, re-adjust your efforts of marketing, if the current methods are not producing the required results.

There’s not much use in setting your targets and then wait to achieve them without knowing what your current progress is.

When we were in school, we all had our targets set on at least passing the current grade/standard we were in. But we did not sit and wait for the result of the last exam to see whether we have passed or not.

Rather, we checked all our exam marks as well as the marks we achieved for projects and midterm exams. This way we knew where we were at any stage of the year with regards to achieving the required results we have set the targets to.

If we did not achieve the results we required, then we could make adjustments to our study methods to ensure our results were increased; this works exactly the same with marketing objectives.

On the following page there is an example of such a plan. Read through it and then complete the empty plan on the page thereafter, on your own. The sample plan is based on an Estate Agent requiring 10 additional listings over a period of one year and 12 clients extra per year.

|  |  |  |  |
| --- | --- | --- | --- |
| **Organisation Name** | **Beeline Properties** | **Marketing Project** | **Beeline Properties’ Market Foothold** |
| **Timeframe** | **01/01/2009 – 31/12/2009** | **Primary Objective** | **Obtain additional clients/properties** |
| **Marketing Objective** | **Measurable Goal** | **Review Date** | **Achieved** | **Additional Action** | **Review Date** | **Achieved** | **Complete** | **Remarks / Comments** |
| 3 Additional listings | 3 additional houses on the market | 31/03/2009 | No | More advertising in local papers | 15/04/2009 | Yes | Achieved | Additional marketing helped achieved the goal; marketing was required in different areas.  |
| 3 Additional listings | 3 additional houses on the market | 31/06/2009 | Yes | None |  |  | Achieved |
| 4 Additional listings | 4 additional houses on the market | 31/09/2009 | Yes | None |  |  | Achieved |
| 2 additional clients | 2 additional clients  | 28/02/2009 | No | Added advertising | 30/03/2009 | Yes | Achieved | Marketing was initially done in wrong media source, the web is more responsive and cost effective |
| 2 additional clients | 2 additional clients | 30/04/2009 | No | Added advertising | 30/05/2009 | Yes | Achieved |
| 2 additional clients | 4 additional clients | 30/06/2009 | Yes | None |  |  | Achieved |
| 2 additional clients | 4 additional clients | 30/08/2009 | Yes | None |  |  | Achieved |

**Sample Marketing Objective Plan**

**REMARKS**

The initial listings were not hard to achieve once the correct marketing method was found. Using the common marketing methods of known estate agents places you in a great pool of potential estate agents, making your chances of being “discovered” by new clients much more difficult. Using the internet to identify new customers with properties for sale was much more successful and cost 10% of the initial marketing budget set aside for the exercise. Similarly with the discovery of new clients in the market to purchase a house, the regular listing in the local property magazine was not as successful as the listing on the front page of a local web page. Cost was similar, though a little less, and the response time was immediate rather than waiting for the magazine to go to print.

***On Your Own***

 Complete the marketing objective plan for a specific item on your own.

|  |  |  |  |
| --- | --- | --- | --- |
| **Organisation Name** |  | **Marketing Project** |  |
| **Timeframe** |  | **Primary Objective** |  |
| **Marketing Objective** | **Measurable Goal** | **Review Date** | **Achieved** | **Additional Action** | **Review Date** | **Achieved** | **Complete** | **Remarks / Comments** |
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Remarks

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# MARKETING PERFORMANCE STANDARDS

#### ***Specific Outcome 2***

Demonstrate an understanding of marketing performance standards.

#### ***Assessment Criteria***

* Marketing performance standards are identified and listed as required by the organisation.
* Responsibilities arising form marketing performance standards are identified and explained with examples.
* Marketing performance standards are agreed to by all parties.

## Identifying and listing the marketing performance standards

Once the objective plan has been agreed upon, the standards which the organisations require must be identified.

Setting these standards are of utmost importance as the organisation who is begin represented in the marketing campaign will be measured on the campaign, by the intended customers.

The standards for the campaign must match that which the organisation has set for itself. If the marketing department does not adhere to these standards, the organisation’s reputation could very well be at stake.

Derived from the general objective, marketing standards may function as a "quality development target" for producers, especially in developing markets.

They help establish a quality reputation in an international context as well as providing a tool for obtaining a return on investment when value has been added to products.

Standard trading terms also help provide standardised products to the consumer and inform the consumer on product characteristics and/or farming process.

Marketing standards are also used to protect consumers from deception and unacceptable practices.

For example, the maximum proportion of added water to poultry meat is set in a marketing standard. It is technologically possible to add a much higher percentage of water to poultry meat, which is not a problem from the hygiene and safety perspective, but would mislead consumers.

What are the benefits of marketing standards?

“The commercial quality standards help facilitate international trade, encourage high quality production, improve profitability and protect consumer interests.”

Let’s read through the following article:

***Guide to Sales and Marketing Standards***

Setting sales and marketing standards can bring consistency and credibility to your organisation

**By Janelle Garcia**

Setting marketing standards for your organisation means more than filling quotas and generating leads. Effective sales and advertising standards should also incorporate ethical principles to help set the tone for all your marketing transactions.

These standards can unify your team so that each player is focused on conducting business in an honest and socially responsible manner, which can also prevent misconduct.

By the same token, adhering to international marketing standards can ease entry into international markets because your approach will meet foreign expectations.

Sales standardization and marketing standardization can also result in greater customer confidence.

When you include high expectations for ethical behaviour in sales and ethical behaviour in marketing among your standards, you send a clear message to everyone both inside and outside of the organisation: Your Company is the kind of business that customers, employees and suppliers alike can trust to keep their best interests in mind.

When implementing new sales standards within your organisation, try the following:

1. Assess how well your organisation measures up in the context of current marketing ethics standards.
2. Consult experts in the field, and consider joining an ethics-based association.
3. Get everyone in your organisation on board by clearly communicating and reinforcing your standards.

#### Action Steps

* The best contacts and resources to help you get it done
* Educate everyone involved on ethical behaviour in sales and ethical behaviour in marketing
* Because ethical compliance in sales and marketing is self-regulated, ensuring that your organisation is in compliance and meeting current standards is key. Training everyone from the top down also helps ensure a higher level of commitment at all levels.
* Communicate and reinforce your sales and marketing standards
* Create a comprehensive plan that spells out your standards for marketing, and communicate these standards to everyone involved. A strong set of standards should express your company's ethical values, such as honesty in marketing and fair trade.
* Put into words how these values translate into each type of customer interaction, from advertising to customer service.
* Reinforce these standards periodically for effective implementation.

Your sales and marketing team may resist a new set of sales standards. Developing consensus as a team and tying rewards, rather than strictly penalties, to those who comply can help curb resistance and foster a higher level of commitment and enthusiasm.

Now that we have the marketing standards, let’s look at some performance standards. In marketing, like with any other business, the main aim of performance is to make money.

The more money the marketing department or organisation makes for the company, the more successful they (marketing) are.

Setting the performance standards is like setting the requirements of the organisation.

They state their objectives they want to achieve and you, as the marketer, have to ensure that you comply with these.

Let’s take a look at a simple example:

ABD enterprises have bought the recipe for a new fruit juice cocktail which is currently for sale only in Europe.

It has very high vitamin C content and does not have any colorants, preservatives or artificial flavouring which makes it a healthy drink.

According to the current owners, their sales have rocketed in the markets with their greatest amount of customers being in the 5-15 year age group.

Obviously the marketing has strongly focussed on the parents (especially Mom’s), but 60% of the marketing is focussed on the younger users.

### How to Write a Marketing Plan

The Marketing Plan is a highly detailed, heavily researched and, hopefully, well written report that many inside and possibly outside the organisation will evaluate.

It is an essential document for both large corporate marketing departments and for start-up companies.

Essentially the Marketing Plan:

* Forces the marketing personnel to look internally in order to fully understand the results of past marketing decisions.
* Forces the marketing personnel to look externally in order to fully understand the market in which they operate.
* Sets future goals and provides direction for future marketing efforts that everyone within the organisation should understand and support.
* Is a key component in obtaining funding to pursue new initiatives.
* 

The Marketing Plan is generally undertaken for one of the following reasons:

1. Needed as part of the yearly planning process within the marketing functional area.
2. Needed for a specialized strategy to introduce something new, such as new product planning, entering new markets, or trying a new strategy to fix an existing problem.
3. Is a component within an overall business plan, such as a new business proposal to the financial community.

There are many ways to develop and format a marketing plan. The approach taken here is to present a 6-Part plan that includes:

1. Purpose and Mission
2. Situational Analysis
3. Marketing Strategy and Objectives
4. Tactical Programs
5. Budgets, Performance Analysis and Implementation
6. Additional Consideration

This plan is aimed at individual products and product lines; however, it can be adapted fairly easily for use in planning one or more strategic business units (SBU).

The page length suggested for each section represents a single-spaced typed format for a plan focused on a single product.

Obviously for multi-product plans lengths will be somewhat longer.

# FOLLOWING INSTRUCTIONS TO MEET SET STANDARDS

#### ***Specific Outcome 3***

Follow instructions to meet standards.

#### ***Assessment Criteria***

* A plan to follow and meet instruction is developed according to organisational requirements.
* Instructions are carried out in order to meet performance standards.
* Feedback on progress is given to authorised individuals according to requirements

## Developing and Using the Marketing Plan

Explained and described in the previous section, a plan for the marketing effort must be clearly defined and explained so that the personnel understands what is expected of them.

A marketing plan is a written document that details the necessary actions to achieve one or more marketing objectives. It can be for a product or service, a brand, or a product line.

To be most effective, the plan has to be formalized, usually in written form, as a formal "marketing plan."

The essence of the process is that it moves from the general to the specific, from the overall objectives of the organisation down to the individual action plan for a part of one marketing program.

It is also an interactive process, so that the draft output of each stage is checked to see what impact it has on the earlier stages, and is amended.

A marketing plan for a small business typically includes Small Business Administration Description of competitors, including the level of demand for the product or service and the strengths and weaknesses of competitors

1. Description of the product or service, including special features

2. Marketing budget, including the advertising and promotional plan

3. Description of the business location, including advantages and disadvantages for marketing

4. Pricing strategy

5. Market Segmentation

Medium-sized and large organisations

The main contents of a marketing plan are:

1. Executive Summary

2. Situational Analysis

3. Opportunities / Issue Analysis - SWOT Analysis

4. Objectives

5. Strategy

6. Action Program (the operational marketing plan itself for the period under review)

7. Financial Forecast

8. Controls

The final stage of any marketing planning process is to establish targets (or standards) so that progress can be monitored.

Accordingly, it is important to put both quantities and timescales into the marketing objectives (for example, to capture 20 percent by value of the market within two years) and into the corresponding strategies.

Changes in the environment mean that the forecasts often have to be changed. Along with these, the related plans may well also need to be changed.

Continuous monitoring of performance, against predetermined targets, represents a most important aspect of this.

However, perhaps even more important is the enforced discipline of a regular formal review. Again, as with forecasts, in many cases the best (most realistic) planning cycle will revolve around a quarterly review.

Best of all, at least in terms of the quantifiable aspects of the plans, if not the wealth of backing detail, is probably a quarterly rolling review - planning one full year ahead each new quarter.

Of course, this does absorb more planning resource; but it also ensures that the plans embody the latest information, and - with attention focused on them so regularly - forces both the plans and their implementation to be realistic.

Plans only have validity if they are actually used to control the progress of a company: their success lies in their implementation, not in the writing.

### Marketing Planning and Strategy

For marketers planning is an essential task that must be continually undertaken. As we will see, shifting market conditions, including changing customer needs and competitive threats, almost always insure that what worked in the past will not work in the future, thus requiring revisions in how a product is marketed.

Marketing planning is also important since it is often a prerequisite for obtaining funding whether one is a marketer in a large corporation seeking additional money for his or her department or is part of a small start-up company looking for initial funding.

To aid in our understanding of planning we introduce a key concept in marketing: the Product Life Cycle. We will see the Product Life Cycle offers valuable insight and guidance for marketing decisions.

In this section we also discuss different types of marketing strategy that can be followed to meet marketing objectives. Additionally, we look at how innovative products are adopted within a market and how this impacts marketing planning.

### Importance of Planning

As we have seen throughout the Principles of Marketing, marketers consider many factors when making decisions.

Of course the main factors are those directly associated with how customers (including distribution partners) respond to an organisation’s marketing efforts, such as how they may react to changes in a product, new advertisements, special pricing promotions, etc.

But when making decisions marketers face other concerns that are not directly customer related. For instance, we have discussed how marketing decisions (e.g., lowering price) may place pressure on other areas of the organisation (e.g., production, shipping).

Other examples include:

As we noted in our definition of marketing decisions must be made with an understanding of the value these provide not only to customers but to the marketing organisation. Consequently, marketers must be well aware of how their decisions fit with the overall objectives of the company.

For example, a company whose goal is to be the low-price leader may have concerns if the company’s marketing department wants to market a very high-end product, since this would go against the reputation and core strengths of the company.

In the Managing External Forces tutorial, we showed that marketers’ decisions may affect peripheral stakeholders who are not directly connected to the marketing organisation but have the potential to impact the organisation if issues arise that draw their attention.

Marketing decisions also directly affect an organisation’s financial condition. Marketers’ efforts generate the funds (i.e., sales) needed for the company to survive, but do so while using company resources, in particular, expenditure of funds.

Controls must be put in place to insure the results of what the organisation spends through marketing (i.e., return on investment) meet expectations.

Because marketing decisions have both internal and external impact, marketers are wise to make their decisions only after engaging in a careful, disciplined planning process. Marketers who make hasty, off-the-cuff decisions without regard to the implications are taking risks that may lead to problems.

Instead, marketing decisions should be made with consideration of how these affect others and the resources (e.g., funds) required to carry out the plan.

### The Marketing Plan

The central point in planning for marketing decisions is the Marketing Plan. As we note in the highly detailed How to Write a Marketing Plan (learner hand-out), the plan serves several functions including:

* Forcing marketing personnel to look internally in order to fully understand the results of past marketing decisions.
* Forcing marketing personnel to look externally in order to fully understand the market in which they operate.
* Setting future goals and providing direction for future marketing efforts that everyone within the organisation should understand and support.
* Serving as a key component in obtaining funding to pursue new initiatives.

The scope of the Marketing Plan depends on the company and industry. A small technology start-up company may, for instance, have a less elaborate plan that is highly flexible (e.g., does not identify exactly where advertising money is spent) to meet the needs of a rapidly changing market.

A more established marketing organisation, such a large consumer products firm, may create a very structured plan that clearly identifies all activities that take place over a 12-month period.

Whether the marketer is creating a short plan intended to cover a narrow timeframe or a full-blown document laying out plans for a year or more, any plan requires undertaking significant market research to better understand the market.

With knowledge of the market, the marketer can then begin to build the plan which will include the key components.

### Components of the Marketing Plan

The Marketing Plan is often a complex and diverse document that examines many areas. For most plans the key components found in the document include:

Organisational Mission – Represents the guiding force of an organisation by identifying the long-run vision for what the organisation hopes to achieve. The mission comes from the top leaders of the organisation and often remains unchanged for many years.

Objectives – Reflects what the organisation expects to achieve with its marketing efforts. As with the mission, objectives also flow from the top of the organisation down to the marketing department.

Objectives can be in the form of financial goals (i.e., profits) or marketing goals (e.g., achieve certain level of market share).

Marketing Strategy - Achieving objectives requires the marketer engage in marketing decision-making which indicates where resources (e.g., marketing funds) will be directed. However, before spending begins on individual marketing decisions (e.g., where to advertise) the marketer needs to establish a general plan of action that summarizes what will be done to reach the stated objectives.

Tactical Programs – Marketing strategy sets the stage for specific actions that will take place. Marketing tactics are the day-to-day actions that marketers undertake and involve the major marketing decision areas. As would be expected, this is the key area of the Marketing Plan since it explains exactly what will be done to reach the organisation’s objectives.

Marketing Budget – Carrying out marketing tactics almost always means that money must be spent. The marketing budget lays out the spending requirements needed to carry out marketing tactics.

While the marketing department may request a certain level of funding they feel is required, in the end it is upper-management that will have final say on how much financial support will be offered.

# REPORT ON MARKETING OBJECTIVES PROGRESS

#### ***Specific Outcome 4***

Report on marketing objectives progress.

#### ***Assessment Criteria***

* Progress towards meeting marketing objectives is monitored and evaluated at pre-determined intervals.
* Progress is reported within agreed time frames and is presented concisely to aid decision-making.
* Recommendations for improvements are made and make provision for both long- and short-term objectives.

## Performance analysis

The most important elements of marketing performance, which are normally tracked, are:

### Sales analysis

Most organisations track their sales results; or, in non-profit organisations for example, the number of clients.

The more sophisticated track them in terms of 'sales variance' - the deviation from the target figures - which allows a more immediate picture of deviations to become evident.

`Micro-analysis', which is a nicely pseudo-scientific term for the normal management process of investigating detailed problems, then investigates the individual elements (individual products, sales territories, customers and so on) which are failing to meet targets.

#### Market share analysis

Few organisations track market share though it is often an important metric.

Though absolute sales might grow in an expanding market, a firm's share of the market can decrease which bodes ill for future sales when the market starts to drop.

Where such market share is tracked, there may be a number of aspects which will be followed:

* Overall market share
* Segment share - that in the specific, targeted segment
* Relative share -in relation to the market leaders
* Annual fluctuation rate of market share

#### Expense analysis

The key ratio to watch in this area is usually the `marketing expense to sales ratio'; although this may be broken down into other elements (advertising to sales, sales administration to sales, and so on).

#### Financial analysis

The "bottom line" of marketing activities should at least in theory, be the net profit (for all except non-profit organisations, where the comparable emphasis may be on remaining within budgeted costs).

There are a number of separate performance figures and key ratios which need to be tracked:

* Gross contribution = net profit
* Gross profit = return on investment
* Net contribution = profit on sales

There can be considerable benefit in comparing these figures with those achieved by other organisations (especially those in the same industry).

The most sophisticated use of this approach, however, is typically by those making use of PIMS (Profit Impact of Management Strategies), initiated by the General Electric Company and then developed by Harvard Business School, but now run by the Strategic Planning Institute.

The above performance analyses concentrate on the quantitative measures which are directly related to short-term performance.

But there are a number of indirect measures, essentially tracking customer attitudes, which can also indicate the organisation's performance in terms of its longer-term marketing strengths and may accordingly be even more important indicators.

Some useful measures are:

Market research - including customer panels (which are used to track changes over time)

Lost business - the orders which were lost because, for example, the stock was not available or the product did not meet the customer's exact requirements

Customer complaints - how many customers complain about the products or services, or the organisation itself, and about what they complain?

Other than market reported measures, timeframe measures also needs to be put into place to ensure that the marketing campaign actually adheres to the stipulated timeframe as agreed in the initial planning stages.

This will help assure that the strategy is in compliance with the set timeframes and does not overlap with other marketing exercises.

For instance; if you are running a summer shoes campaign, you can commence with the campaign in the middle of spring, then with the start of summer your market will be well known to the campaign and it should be in full swing.

This campaign should end towards the middle of summer, as you will then need to start concentrating your efforts on autumn and winter. Letting the summer shoes campaign run too long, your efforts may very well become futile, as the market has already moved on.

Furthermore, early reporting may assist in slight changes in the campaign to ensure it remains on track with the market trends as well as ensuring that the entire campaign remains within the allowed budget.

Any variances detected in their early stages can be identified accordingly, brought to the appropriate attention and the necessary alterations can be made to ensure the success of the campaign.

Remember that continuous small changes and alterations to a campaign can be made to ensure that the campaign remains successful, however, these need to be identified in time and the changes should be done in small steps to ensure you are on track and that your market is knowledgeable about your efforts.