

# An Introduction to Marketing and Market Planning

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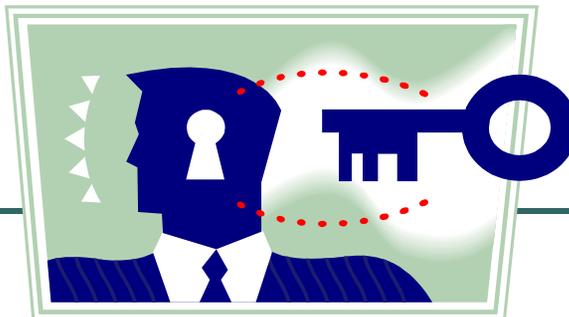


Grundy County Small Business College  
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# Objectives

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- **Define marketing**
- **Discuss the importance of marketing**
- **Describe components of a marketing plan**
- **Provide keys marketing concepts**



# Marketing is...

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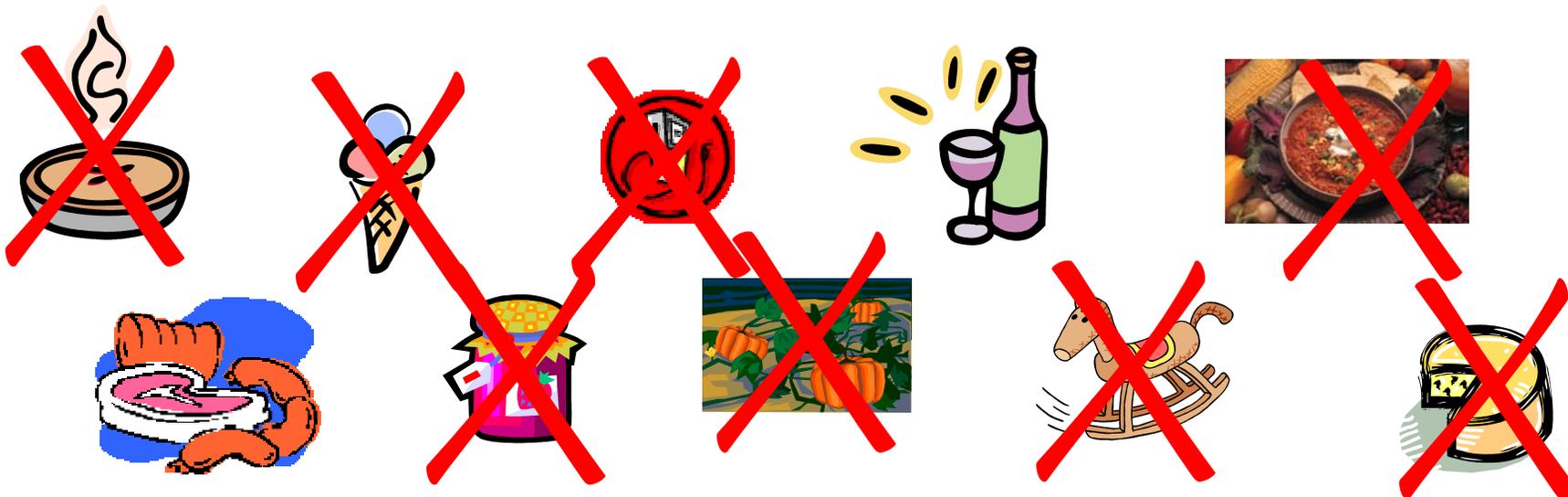


***Planning and executing a set of objectives to bring buyers and sellers together so that a sale can take place***

# Why do it?

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- Approximately 80% of new products and businesses fail within three years after they reach the market



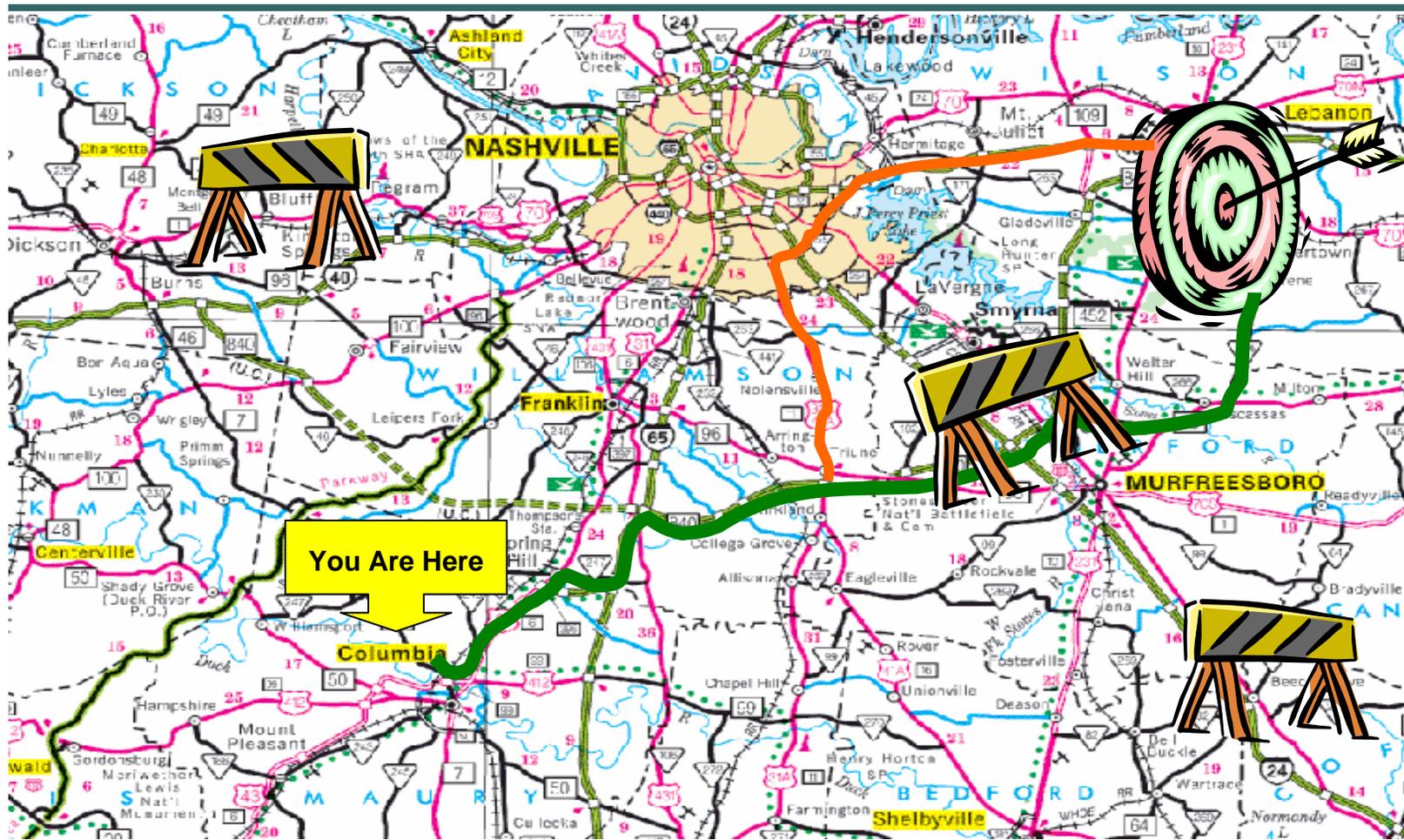
# Why Businesses Fail (The 3 Ms)

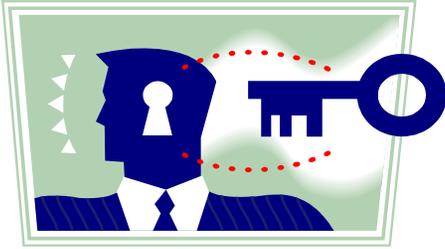
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- Money - sufficient operating capital and cash flow
- Management - skills and experience
- Marketing - knowing and accessing your customer

Clark, Scott. *Reasons for business failure come in three broad groups.*  
Puget Sound Business Journal. July 21, 1997.

A marketing plan is like a road map...





## Market planning helps to determine...

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1. If a profitable market exists
  - Able to produce at a cost low enough and sell at a price high enough to generate a profit
2. The identity of the target market
  - Who is likely to purchase the product
3. How to reach the target market
  - Price, Place, Promotion, Packaging

# Components of a Marketing Plan

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1. Market Research and Analysis
2. Marketing and Financial Objectives/Goals
3. Marketing Mix/Tactics
4. Financial Analysis and Marketing Budget
5. Monitoring and Evaluating Market Response
6. Marketing Plan Check List

# Market Research and Analysis

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- Collection and evaluation of market and industry data relevant to the product
  - Doing your homework



# Market Research and Analysis

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- **Components**

1. Product Definition

2. Market Situation and Analysis

3. Competitor Analysis

4. SWOT Analysis

(Strengths, Weaknesses, Opportunities, and Threats)

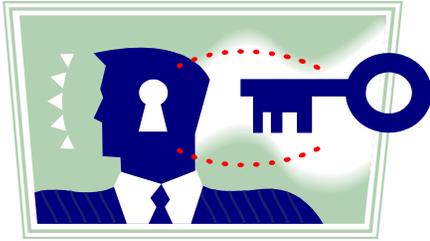
5. Target Market/Customer Profile

Who will you target?

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*I don't know the key to success, but the key to failure is trying to please everybody.*

**Bill Cosby**



# Target Market

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- A portion of the population with a
  1. Need that your business can fulfill
  2. Willingness to purchase
  3. Ability to purchase

# Characteristics to Analyze

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- Demographic Analysis

- Age
- Gender
- Geographic location
- Annual income
- Marriage/family status
- Ethnicity
- Education level

- Psychographic Analysis

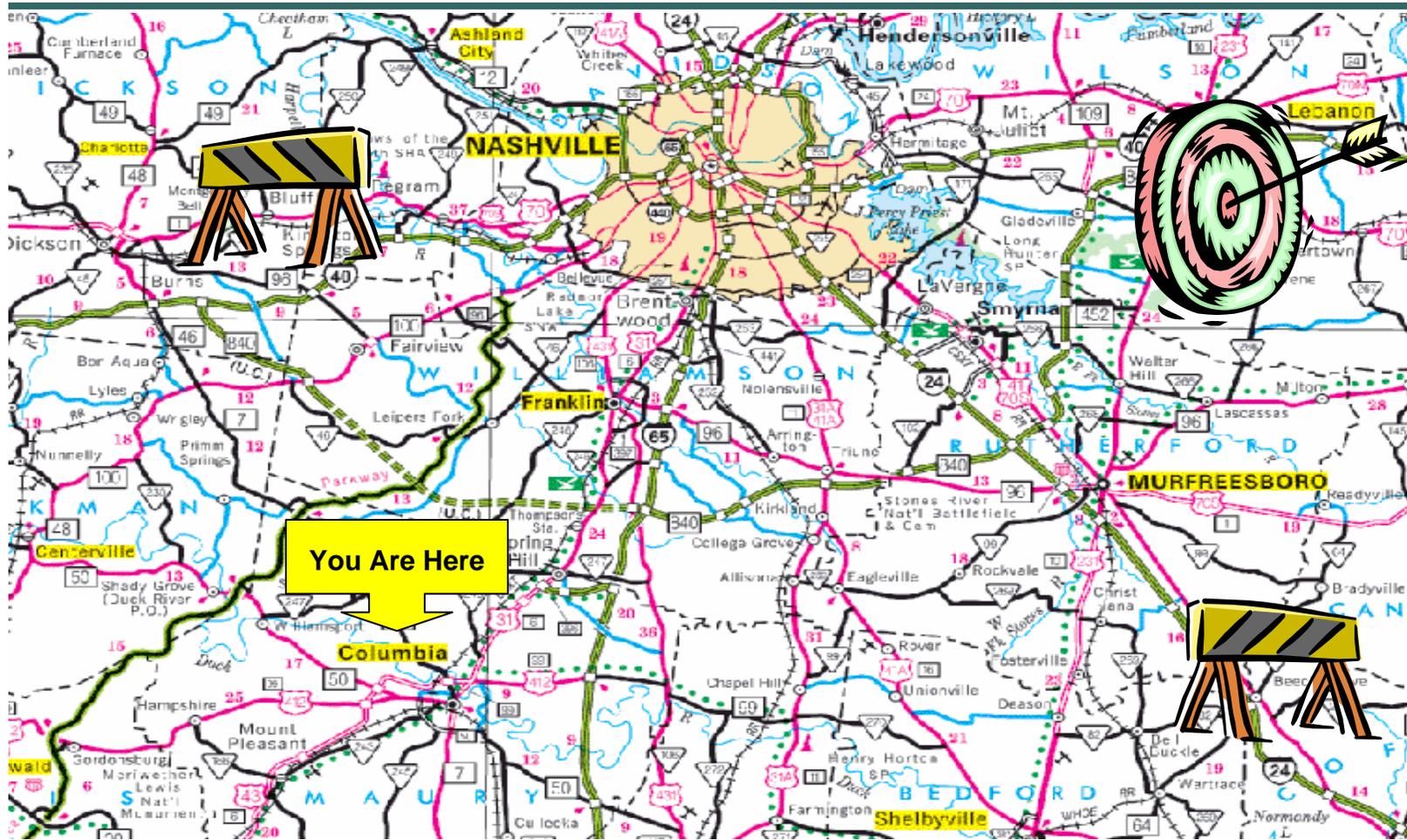
- What do they VALUE?
  - Specific product characteristics
  - Price
  - Convenience
- How do they make decisions?
  - Recommendations
  - Advertising

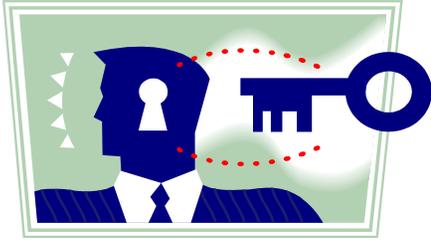
# Marketing and Financial Objectives/Goals

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- Detailed and specific goals
  - Quantified and measurable
  - What do you want to accomplish?
- Example:
    - To sell 10,000 jars of peach preserves in 2007

# Market Research and Analysis



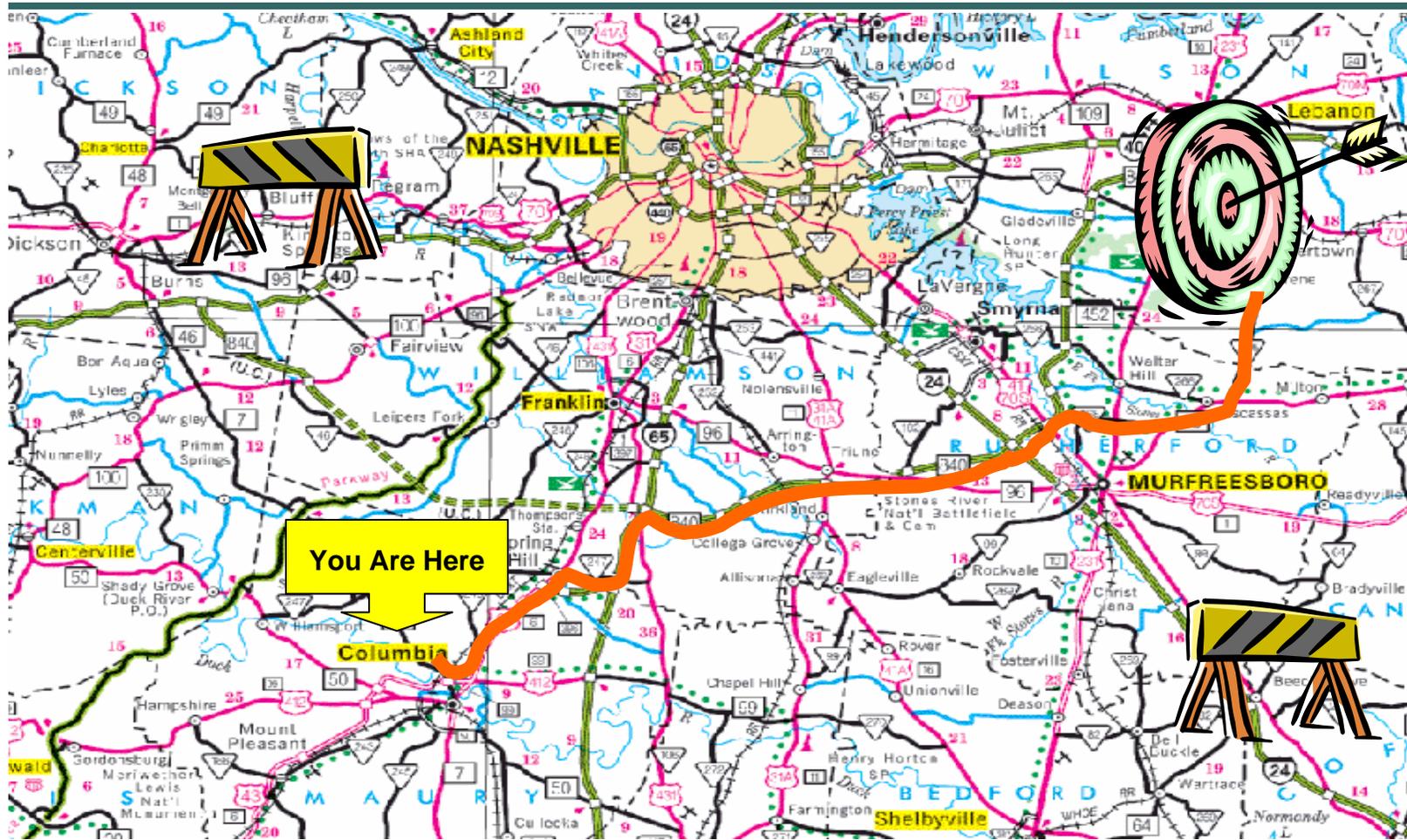


## Marketing Mix/Tactics

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- Linking Seller and Buyer
- The seller's 4 Ps with buyer's 4 Cs
  - Product → Customer Benefit
  - Price → Customer Cost
  - Place → Convenience
  - Promotion → Communication
- Remember those customer perceptions

# Marketing Mix/Tactics



# Financial Analysis and Marketing Budget

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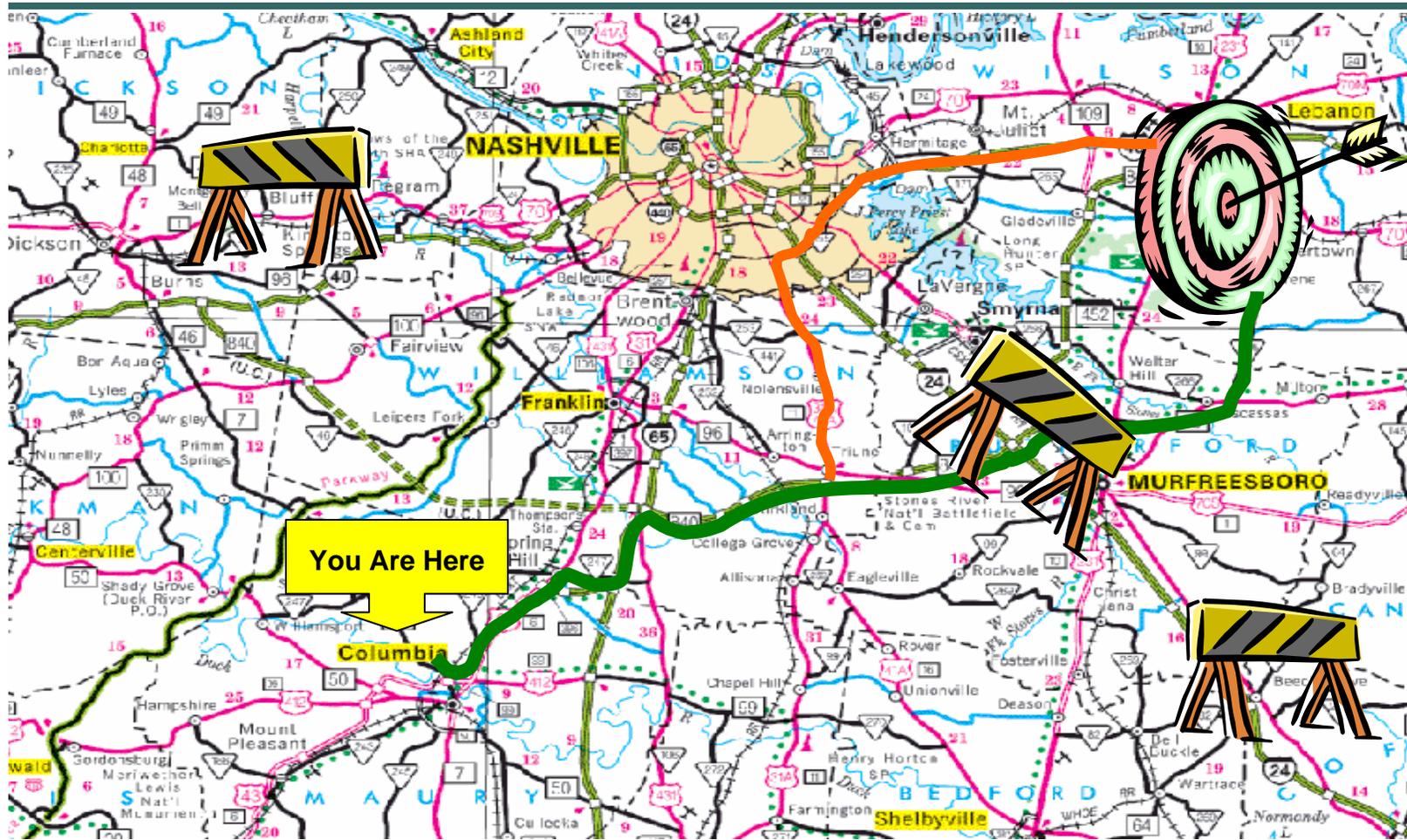
- Create based on expected sales and costs of marketing activities
- Marketing budgets often 5-10% of sales

# Monitoring and Evaluating Market Response

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- What are the results of your marketing efforts?
- Are you meeting your goals and objectives?
- Are your financial and budget projections accurate?
- Are adjustments needed?

# Monitoring and Evaluating Market Response



# Marketing Plan Check List

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- List of marketing activities including
  - Date of planned implementation
  - Estimated cost
  - Method of evaluation
- Provides method to track marketing activities

## Everyday Example

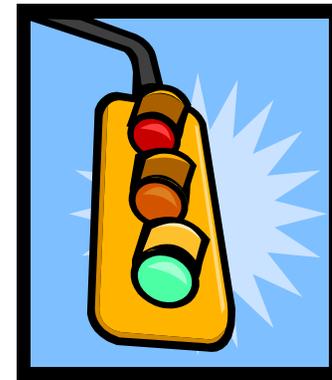
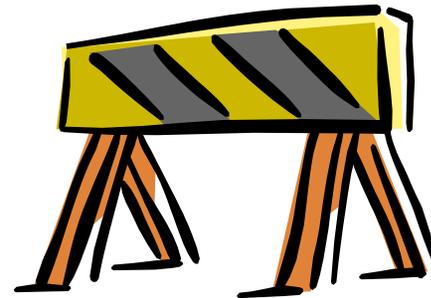
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- Who is targeted?
- Why is this appealing to the target market?
- Where would target market find this product?
- Would you buy this product?
- What is the value of this product to you?  
...to target market?

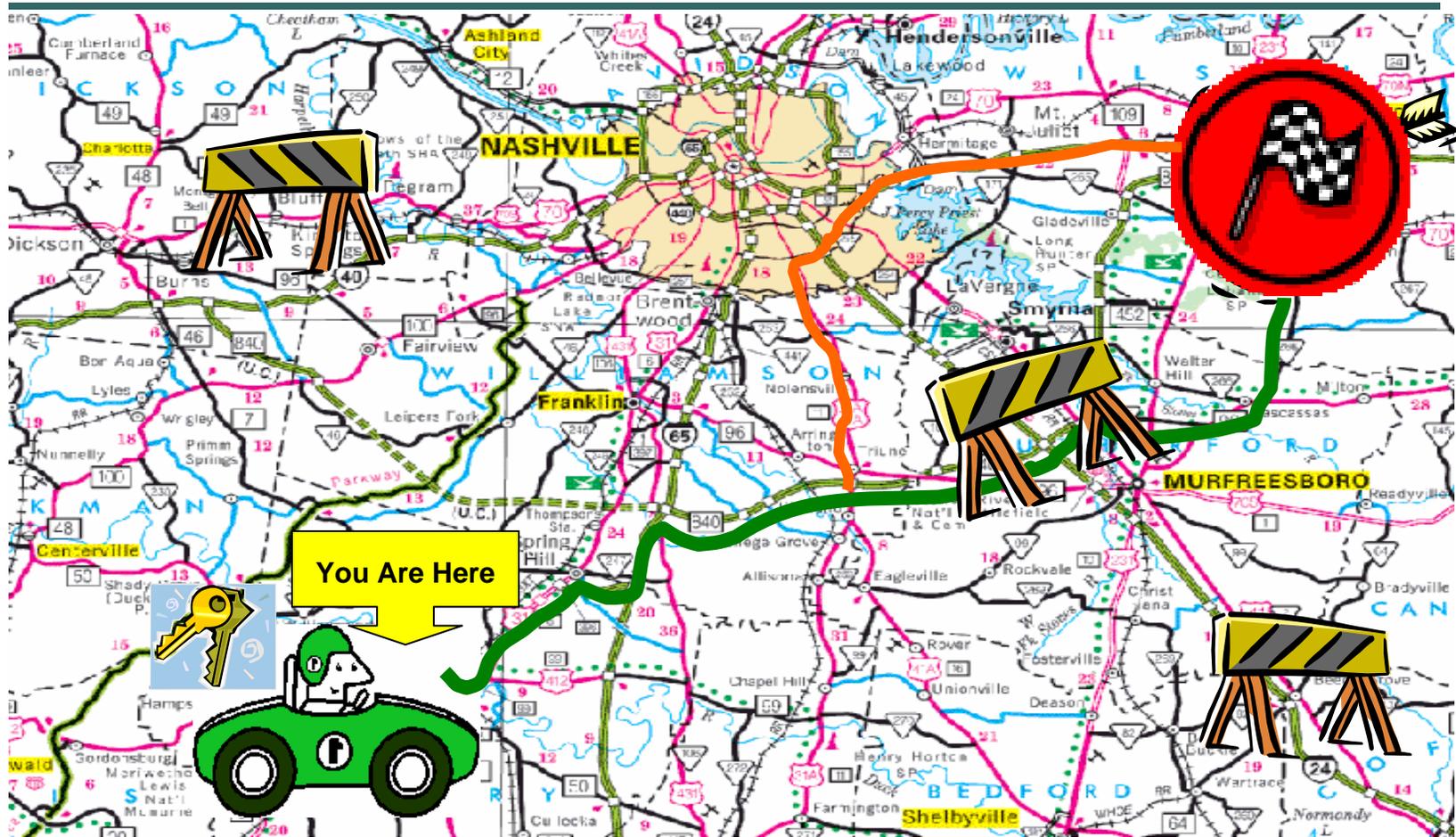
# Challenge

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- Market conditions are dynamic
- Must continually monitor and adjust

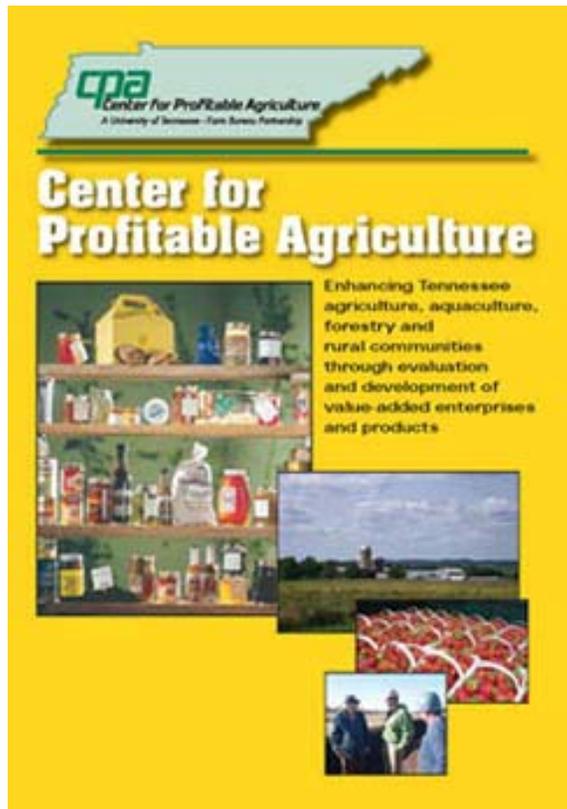


Marketing is planning and executing a set of objectives...



# Contacting the Center

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