

5. Plan of Action strategies

5.1 Concept of strategy

A marketing strategy is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage. A marketing strategy should be centered around the key concept that customer satisfaction is the main goal.

Key part of the general corporate strategy A marketing strategy is most effective when it is an integral component of a firm's strategy, *defining how the organization will successfully engage customers, prospects, and competitors in the market arena, corporate strategies, corporate missions, and corporate goals.*

As the customer constitutes the source of a company's revenue, marketing strategy is closely linked with sales. A key component of marketing strategy is often to keep marketing in line with a company's overarching mission statement (A mission statement is a statement of the purpose of a company, organization or person, its reason for existing.)

5.2 How to develop marketing strategies

Your marketing strategy is, very simply, how you are going to market your products, services or business to customers. It lays out what your objectives are and how you're going to execute them.

But that definition is very broad, and a marketing strategy can in fact cover anything from a ten-year vision for marketing your business to how to shift sales on one product over the next three weeks. Your strategy will depend on where you want your business to go - it forms part of your overall business aims.

A carefully planned marketing strategy provides continuous benefits to a company. Though some business owners choose to rely solely on their intuition to make decisions, a fact-based approach will better allow you to define your goals and strategies and achieve the marketing results you desire.

Describe your organization's unique selling proposition or differentiation. More than anyone else, you should be able to state what sets your business apart from competitors.

Define your company's target market. Doing so takes into account information you have about the type of person likely to utilize your products or services. Usually

demographically based, target markets can include information about age, gender, income, location, education and more.

Describe the benefits of your products and services, and the value they bring to consumers.

Create a solid marketing budget. Write down ideas for how you plan to position your products or services in the marketplace.

Define the types of marketing that will best fit your plan. Options include advertising, Internet marketing, direct mail, public relations and other promotional means.

Marketing strategies encompass examples of what your overall business aim might be, and marketing strategies that you could use to achieve it: Bring in new customers, get existing customers to buy more, introduce a new product or service, increase market share, better establish your brand, improve customer loyalty, etc. the list is based on your business needs you are trying to achieve through the product or service you are offering to the consumer at the during the period of time you are offering it. .

5.3 Types of strategies

Creating a SWOT statement---Strengths, Weaknesses, Opportunities, Threats---is one of the most effective ways to determine which type of strategy is most appropriate for your organization.

A SWOT statement, sometimes called SWOT analysis, forces management to take an in-depth, honest look at how the organization is presently performing. As a result, the SWOT statement can be a realistic, personalized springboard for appropriately focused strategies in marketing, sales, expansion and other business areas.

There are five significant strategies to consider when planning your marketing approach. Position yourself as a market leader, challenger, follower, niche marketer or form an alliance to attack the market with increased power. Consider a mix of strategies to make the most of your strengths and take advantage of your competitors' weaknesses.

□ Market Leader

According to a white paper published by Iowa State University, maintain your position as market leader in one of three ways. (See Reference 1) First, expand the total market by increasing the total number of users. Lead the way by finding a new market or creating a new use for an old product. Look for new markets in other demographics or expand into more locations.

Second, defend your current share of the market. You can enhance your product offerings, as in as a supermarket adding banking services or video rental. Another option is to reduce weak products or services and build up the strongest ones.

Third, expand your market share by aggressively attacking your competitor through a variety of strategies. Offer coupons, promote sales and advertise benefits your competitor doesn't have, such as longer shop hours or more personalized service.

□ Market Challenger

If you are the challenger in the market, look for a small, unmet need that your business can fill. As an ebooks reseller, you may have quite a bit of competition. As an ebooks reseller who specializes in books on basketball, you have significantly fewer competitors.

□ Market Follower

As a market follower, capitalize on a market already identified and researched by your competitors. Watch your competitors for weaknesses, and then provide better solutions such as longer store hours or free training. Good examples include full-service restaurants offering take-out or delivery, interior design service included with furniture purchase or two hours of technical support included with the purchase of new software.

□ Market Niche

Becoming a niche marketer enables you to research and respond better to a smaller, fine-tuned segment. This works especially well for small companies who are nimble and able to make quick decisions in reaction to market trends. Serve the demographic of women ages 55 to 70. As a consultant, choose the niche of selling only to engineering consulting firms in the \$3 to \$5 million revenue range.

□ Alliance Marketing

Strengthen your marketing by partnering with a product, service or company that is compatible with, but not a competitor of, your business. Your child care center may partner with any number of after-school activities to offer an enriched experience. Talk with karate studios, dance studios and gyms. Plan your marketing strategies well and you will ensure financial success.

5.4 Stages for the implementation of the strategies

1. Define the products or services that your company offers, as well as their intentions. Determine how they are beneficial to your customer base. Once you get a full understanding of what you are trying to sell, you can better know how to market it to the outside world.

2 Establish a marketing plan of action for positioning your product or service in the marketplace. Ask yourself where it fits in, and even if there are other similar products available within your market range, make sure yours has its own niche.

3. Develop a market study so as to determine the type of customer you are targeting with your product or service. Learn who they are, their age group, gender, and their buying habits. Determine what concerns they are facing and how your product or service will resolve those issues. A market study also provides valuable information on market growth and trends.

4. Study your competition to determine the various options available for your target customers to choose from. Compare and contrast their product or service with yours and evaluate their positive and negative points. Doing so will guide you more effectively as you establish your own advertising strategy.

5. Find out what sets your product or service apart from the competition. Ask yourself what is unique about what you are offering.

6. Decide on a marketing budget and make sure that your plan fits into it. A budget can be based on the type of marketing you are planning, or you can plan the amount of your budget and ensure that your plan fits in to that parameter.

7. Determine the various marketing methods that you can implement to best promote your particular product or service. There are many marketing and options available, such as direct mail advertising, Internet marketing, and promotional

events. The methods and extent of your marketing plan would obviously be dependent on your budget.

8. Be prepared to modify your marketing strategy on a regular basis. Markets and customer tastes change all the time, so be ready to evaluate your approach and change it to meet those customer climate changes. If you neglect to modify according to the economy, and you choose to remain stagnant in your approach, your product will most likely be left behind the competition. (During the American great recession consumers went from high priced goods to less expensive. During that period family dollar stores did very well)