

How to create a simple marketing plan

If you're an SME Owner or you want to know how to start a small business in the future, this article will be useful for you.

By educating your target market consistently, you can start building a relationship that will establish your credibility and trust with them. But first you need to consider a number of steps in order to formulate a successful marketing plan.

1. Work out who your target market is, who your ideal client is. Do some simple research by asking as many relevant people as you can in order to find out more about your target market? What are their likes / dislikes / frustrations / wants & needs?
2. Figure out what products and services you can offer your ideal clients to address their wants and needs. What problems do your products & services solve for your customer? What are the solutions that your ideal client is looking for? Ask yourself what will differentiate you from others in the marketplace? What will be your pricing strategy?
3. Work out the geographical and psychographical features of your target market – where is your customer located geographically and what are they thinking / what do they like / dislike? Where will you position yourself so they can easily find you? How will you channel your marketing message to them? Will you speak to a few select groups, will you advertise, hold seminars, or write a blog or articles?
4. Ask yourself why your clients should trust you? Why should they choose your product or service over your competition?
5. Develop a unique selling proposition (USP) which states your promise and sets you apart from your competitors
6. Figure out how your customers can buy your product or service? How will you provide customers or clients with the information they need to make their buying decision?
7. Work out a marketing budget. A good way to do this is to figure out how much profit an average client will worth to your business in a year. If you have a target number of new customers as a goal, you can calculate how much you can afford to spend to acquire them. You take the amount of profit you'd expect to average from each new customer in a year, multiply that by the number of customers desired and then work out a percentage of that to add to your marketing budget. For example, lets say each customer was worth \$1000 in profit to you per annum and that you had a goal of gaining 100 new clients in the year. If that was achieved, you would gain \$10,0000 in profit. On this basis, you could then allocate say 40% of this – or \$40,000 – to a marketing budget for the year. This is an exact way to budget how much you can actually spend to reach your goals but you'll also need to work out the cost of keeping the clients you already have. Bear in mind that it costs between 6 and 7 times as much to get a new customer as to keep one you already have!