

Previously on E&I...

A toy version of the Cost-Benefit Analysis technique

A quick recap of Class 8

- ▶ Profits = Revenue - Expenditure
 - ▶ Elementary criteria to decide whether a project is worthwhile or not
- ▶ Four basic questions allow us to learn which resources we need:
 - ▶ What is it and what is it made of?
 - ▶ Who makes it?
 - ▶ Who sells it?
 - ▶ Who is paying for lunch?
- ▶ The data comes from...
 - ▶ Items : Process map
 - ▶ Quantities : Demand estimation.

Homework time!

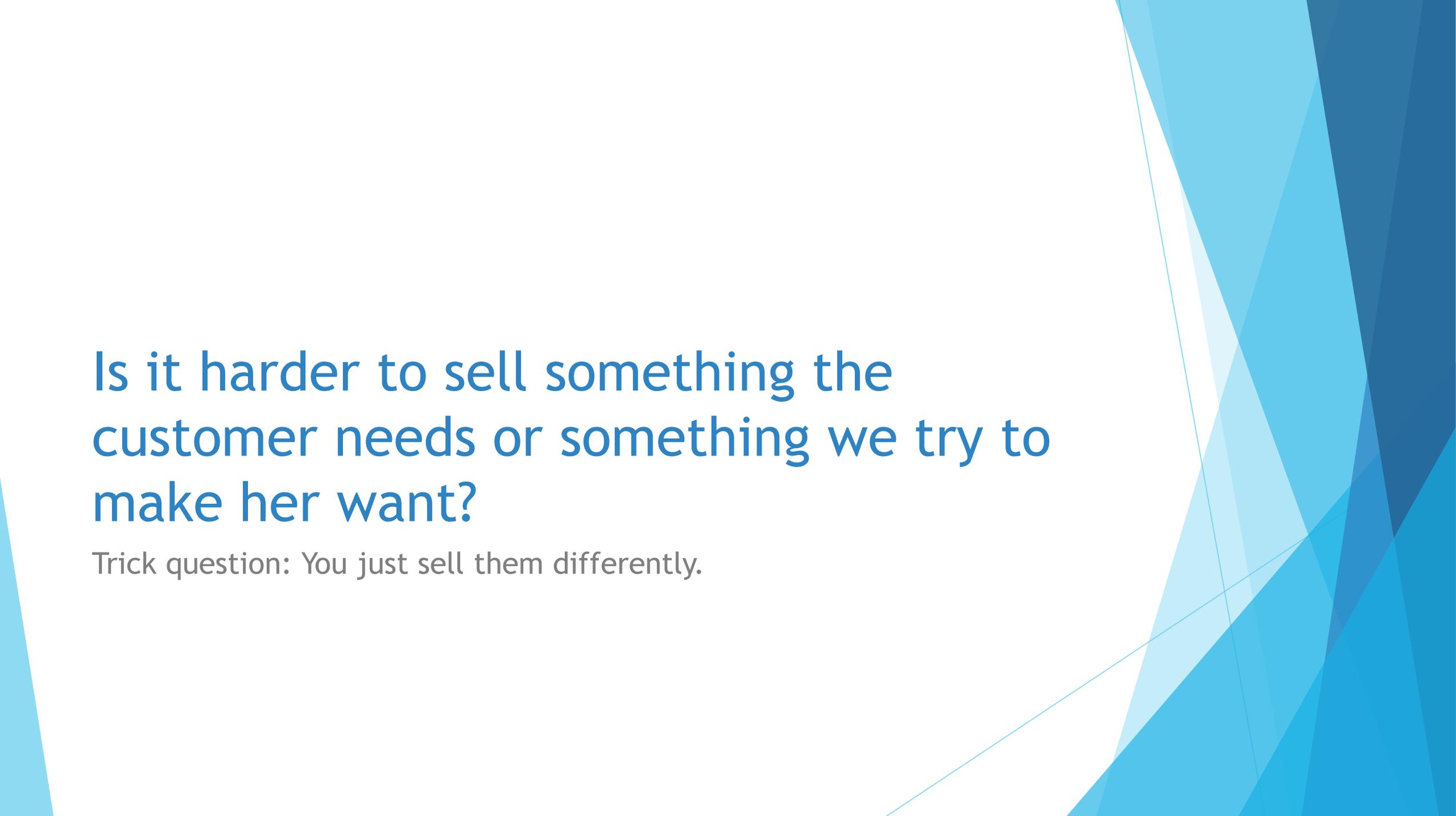
- ▶ Your only homework now is to stun the judges with your projects!
 - ▶ Save the date: April 3rd. (One week from now!)
 - ▶ Dress-rehearsal for April 24 (Segunda entrega).
- ▶ Thanks for your visits and apologies for being a bit erratic lately.
- ▶ Let's talk about those projects right now.

ENTREPRENEURSHIP AND INNOVATION

Class 9 - The Marketing Plan : A Primer

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The background features a series of overlapping, semi-transparent blue triangles and polygons of various shades, ranging from light sky blue to deep navy blue. These shapes are arranged in a dynamic, non-repeating pattern, primarily concentrated on the right side of the frame, creating a modern, geometric aesthetic.

Is it harder to sell something the customer needs or something we try to make her want?

Trick question: You just sell them differently.

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You may actually follow very similar
steps, use identical techniques...

The difference is in their *Marketing Plan*.

What is a Marketing Plan?

- ▶ A comprehensive list of the things you need to do in order to **win and keep** customers.
 - ▶ It's steered by a **marketing strategy**
 - ▶ Includes numbers, facts, **measurable** objectives, a timeline
 - ▶ Integrates all the **tools and tactics** necessary to achieve the sales goals
 - ▶ Perishable
 - ▶ Short, specific.

What is a Marketing Plan?

- ▶ A plan of **action** comprising
 - ▶ What you sell: VP.
 - ▶ Who wants to buy it: Market research.
 - ▶ The leads you'll generate to make that happen : **Communication and distribution channels.**

Tactics? Strategy? Leads?

▶ Market Strategy

- ▶ A goal plus all the short and long-term activities to achieve it.
- ▶ In total, it describes **a way of engaging with the market:**
 - ▶ Diversification, Integration, Cannibalization, Second product line, etc.
 - ▶ Market leader, follower, niche-player, etc.
- ▶ Goals are written in terms of a market share, sales figures, brand positioning, etc.

Tactics? Strategy? Leads?

- ▶ **Tactics**

- ▶ Short-term goals and actions.

- ▶ **Leads**

- ▶ How and where you'll catch the eye of your customer

Marketing Plan

- ▶ Includes six basic components
 1. A diagnose
 2. A goal (no more than yearly, very specific, measurable)
 3. The strategy
 4. The sub-goals and tactics
 5. Measurement actions
 6. A budget

Marketing Plan

1. A diagnose
2. A goal
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The Diagnose

- ▶ Two main parts:
 - ▶ Where we start
 - ▶ Where the competition stands.
- ▶ Where we start
 - ▶ Our current performance stats: market share, potential demand, customer profile, etc.
- ▶ The competition
 - ▶ Benchmarking analysis.
- ▶ Some tools?
 - ▶ SWOT, PEST, Porter, etc.

Marketing Plan

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A Goal

- ▶ Increase our market participation in Bogotá by 15%, by the end of 2017.
- ▶ Expand into the 35-and-over segment of the population, with a 5% market share by the end of the first semester of the year.
- ▶ Double December 2016's sales figures for toy cars, in the same period of the year.
- ▶ Raise the benefit margins of our product XYZ by 2% in the second quarter of 2017.
- ▶ Introduce product XYZ in Bogotá's Estrato Socioeconomico 6 and 5 segments, with a minimum participation of 10% and sales of 50 million pesos by the end of 2017's second quarter.

Marketing Plan

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The Strategy

Though there are many, I'll show you the two most common ones:

- ▶ Marketing Mix: 4Ps
- ▶ USP (Unique Selling Proposition)

4Ps

- ▶ Product
- ▶ Price
- ▶ Place
- ▶ Promotion

Product

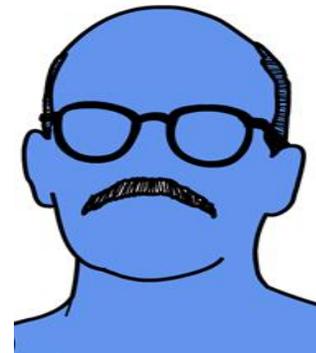
- ▶ What you are selling
 - ▶ The Value Proposition
 - ▶ A thorough description of the product or service.

Place

- ▶ **Where is it available** (physically or otherwise)
 - ▶ Where it is easiest for the customer to find it (Find data to back this decision)
 - ▶ Distribution channels, logistics, market coverage, for each segment or customer.

Price

- ▶ “Great value for my money”
- ▶ Different segments entail different pricing strategies
 - ▶ Freemium
 - ▶ Skimming
 - ▶ Bundling
 - ▶ Penetration pricing
 - ▶ First, second, and third degree price discrimination
 - ▶ Pay-what-you-want
 - ▶ Marginal pricing
 - ▶ Etc.

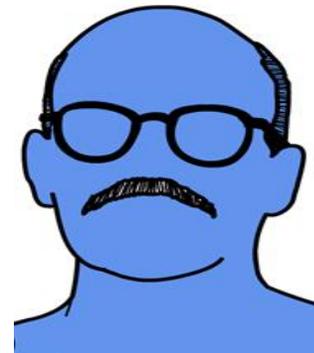




Extra points fire sale!

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Promotion

- ▶ All the advertising tools and techniques used to **get the right message to the correct audience.**
 - ▶ Informative
 - ▶ Appealing
 - ▶ Use the most effective venue/platform/resource/media for your target.
- ▶ Techniques
 - ▶ Advertising, Direct marketing, Product Placement, Viral Campaigns, Sponsorships, etc.
- ▶ 7Ps?





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USP (Unique Selling Proposition)

- ▶ Target Customer (Demographic and Psycographic profile)
- ▶ Value Proposition
- ▶ Pricing Strategy
- ▶ Positioning Strategy (Leader in a wide market, Niche player, etc.)
- ▶ Distribution plan
- ▶ Offers (Free trials, packages, discounts, guarantees)
- ▶ Marketing materials (Website, visiting cards, brocheures, etc.)
- ▶ Promotion Strategy (Web, SEO, TV ads, press releases, events, social media)
- ▶ Conversion Strategies (How you turn prospective customers into paying consumers)
- ▶ Joint Ventures and Partnerships
- ▶ Retention Strategies (Fidelization)
- ▶ Financial Projections

Marketing Plan

1. A diagnose
2. A goal
3. The strategy
4. **The sub-goals and tactics**
5. Measurement actions
6. A budget

The Sub-Goals and Tactics

- ▶ Identify and target all **prospects** along the sales cycle
 - ▶ *Cold Prospects*
 - ▶ Not exposed to our message yet
 - ▶ *Warm Prospects*
 - ▶ Exposed to the message but not the product yet
 - ▶ *Hot Prospects*
 - ▶ Ready to close the sale, maybe already familiar with the product.
- ▶ **Leads**
 - ▶ Where do they get their information?
 - ▶ Do we find them or do they find us?

Marketing Plan

1. A diagnose
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5. **Measurement actions**
6. A budget

Measurement Actions

- ▶ Indicators to **evaluate and monitor** how the campaign is going
 - ▶ Brand recognition surveys,
 - ▶ Sales figures,
 - ▶ Market share, etc.
- ▶ Concrete deliverables embedded in a timeline.

Marketing Plan

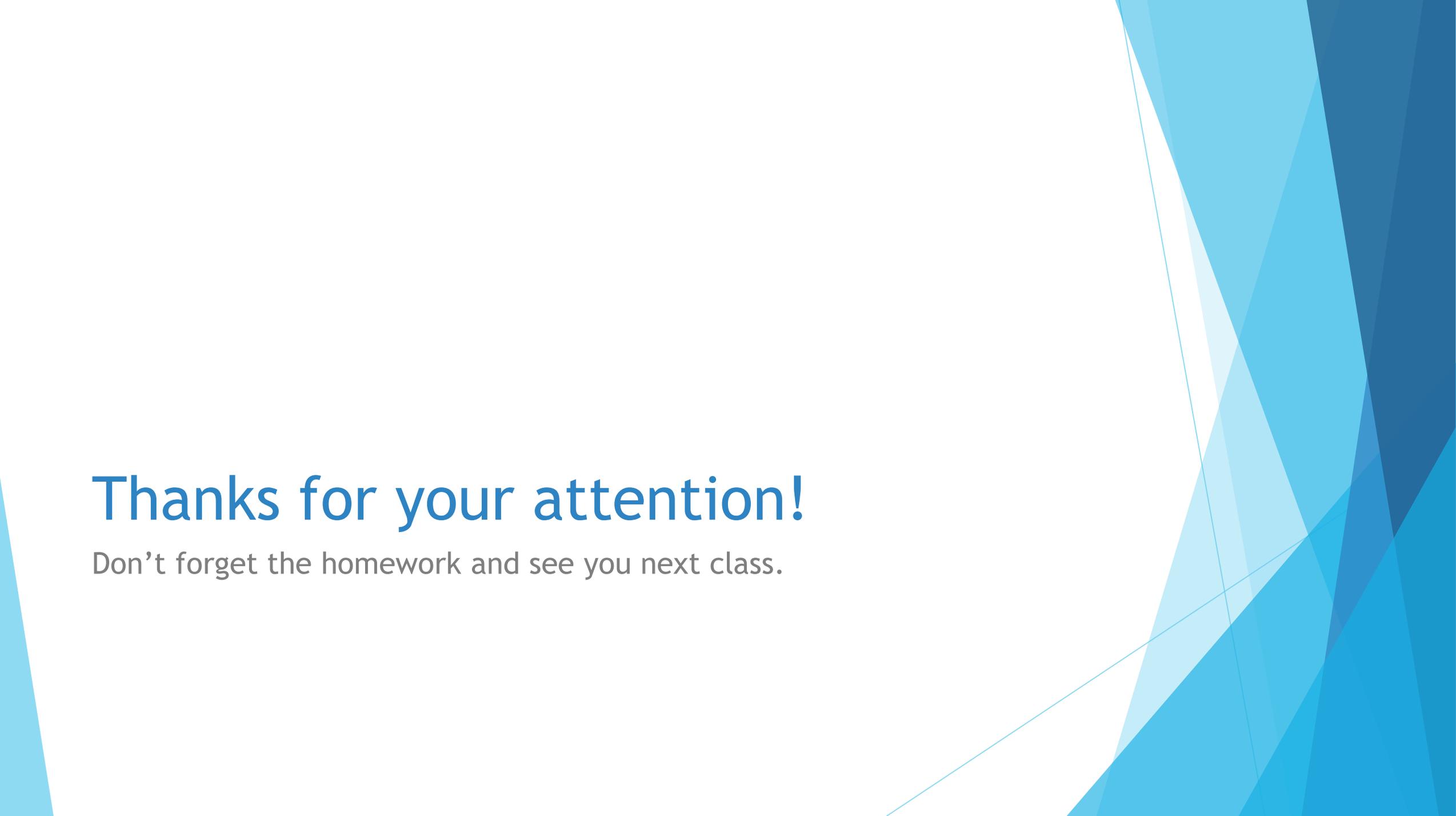
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The Marketing Budget

- ▶ Affordable
- ▶ Well-targeted
- ▶ A percentage of the gross sales, funding, etc.
- ▶ Realistic!

Classwork!

- ▶ Now you absolutely have all the pieces a **Bussines Plan** usually comprises.
- ▶ Really?
 - ▶ [Yes, really.](#)
 - ▶ [No, seriously. I swear to God.](#)
 - ▶ We will next learn some models to arrange and put those pieces in order.
- ▶ Start thinking about your own marketing plan.

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Thanks for your attention!

Don't forget the homework and see you next class.