



Marketing Analysis and Market Planning

Handout 3

Questions to Help Build your Marketing Plan

QUESTIONS TO ANSWER IN YOUR MARKET PLAN

The following is a list of questions that can assist in compiling the different components of your MARKET PLAN under the heading Market Strategy

A. PRODUCT PLAN

Try to answer these questions about the product, in writing:

- What needs do our products /services satisfy?
- Who are our current markets?
- Will these groups be similar demographically, attitudinally or in behaviour?
- What are the sales trends for our products /services and the industry?
- What are our competitor's strengths in similar products/services?
- What marketing mix elements are important to the sale of our product/service?
- What changes will we make to existing products /services, in terms of such issues as quality, features, packaging, range and branding?
- What new products /services will we launch in the planning period?

B. DISTRIBUTION PLAN

Try to answer these questions about distribution:

- What types of intermediaries are available for products/services similar to ours? What services do they perform?
- How broad is the market coverage of the different types of intermediaries?
- What are the financial and technical capabilities of current intermediaries?
- Who has the power within current distribution channels? What is their basis of power? How do they exercise their power?
- How are intermediaries motivated to cooperate with each other and with manufacturers for products/services similar to ours?
- What amount of communication is needed to keep distribution tasks running smoothly for similar products/services?
- Are there standard margins or pricing techniques for resellers of products/services similar to ours? If so, are they sufficient to motivate out intermediaries?

- What is the average time for products/services to move from producers to customers in this market? How will this effect product design and distribution of our products/services?
- What intensity of market exposure do WE want?
- What are the channels of distribution and types of resellers used by our competitors?
- What types of intermediaries and how many do we want to get adequate market coverage given our sales and market share goals?
- What form of support can we expect from our intermediaries? How will we supplement this support?
- What factors will motivate intermediaries to buy and support our products/services.
- What margins will be expected by intermediaries and will these be sufficient to compensate them for service we expect them to perform?
- How will these margins affect our competitiveness in the market?
- Who will be in charge of distribution?
- Decisions about facilities involve the number and location of warehouse and plant.
- Decisions about inventory involve how much inventory to hold in view of the problems of interest charges, deterioration, shrinkage, insurance and administration bearing in mind that the idea is to provide optimum availability.
- Decisions about transport involve owning or leasing vehicles, delivery schedules and so forth.
- Decisions about communications in the distribution system involve ensuring optimum customer support, which depends on optimum communications support.
- Unitisation concerns the way in which products and packages are grouped for handling

C. PRICING PLAN

- Try to answer these questions about pricing:
- What will our overall pricing objectives be?
- What are our costs?
- What are competitor prices for similar products?
- What is the perceived relationship between our prices and product quality?
- Are there any legal restrictions on our pricing policies?
- What control do we have, or do we want over final prices that customers pay?

- What ability do we have to react to competitors' price changes?

D. COMMUNICATION PLAN

Answer these questions about advertising and sales promotion:

- What will the split be between personal and no personal communication?
- Who is/are our target audience?
- What behavioural effects do we require of our advertising? Interest? Awareness? Conviction? Desire? Action?
- What are our advertising objectives? How will we measure them?
- How will we ensure that our advertising strategy fits the characteristics of each customer group?
- What media will we use?
- How much will we spend on advertising?
- What will our sales promotion objectives be?
- What will our sales promotion strategy be?
- What will we spend on sales promotion?
- Answer these questions about the sales force:
 - Try to answer these questions about sales management:
 - What is the required size of our sales force?
 - Where and how will we recruit our salespeople?
 - How will they be selected?
 - What plans do we have for sales training? How will we develop knowledge? How will we develop skills?
 - How will our sales force be organized?
 - How will our sales force be controlled?
 - How will we develop, design and implement quotas?
- How will our sales force be compensated? How will they be motivated?
- What will the responsibilities be in addition to product selling?

- What support can we expect from our intermediaries? How will we supplement this support? What factors will motivate intermediaries to buy and support our products? What margins will be expected by intermediaries?
- Try to answer these questions about the new media:
 - How will we use the World Wide Web in our marketing mix? What will we want to achieve with it?
 - Who will design our web site, and how much will we spend on this?
 - How will we ensure that our web site is continually updated and serviced?
 - How will we measure the efficiency and effectiveness of our web site?