

New York StartUP!
Business Plan Competition
Developing Your
Marketing Plan



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#2020NYStartUp

Where are You in the Process?



Business Plan Development Schedule 2020

Task	Required Reading/ Review	Duration	Dates
<ul style="list-style-type: none"> Attend Orientation Session Complete the online orientation session and quiz (details nypl.org/bizplan) 		Live: 90 min. Online: 30 min.	1/1-10
Submit an entry form via <i>FluidReview</i> (details nypl.org/bizplan)		30-60 min	1/1-31
Meet with a Business Advisor		1 Day	1/14
Secure: Business Plan Template (details nypl.org/bizplan) <i>Successful Business Plan: Secrets & Strategies</i> By Rhonda Abrams (amazon.com, half.com, campusbooks.com, textbooksrus.com) <i>Business Plan Pro</i> (Half.com, Amazon.com)	<i>Successful Business Plan</i> Chapters 1, 3, 4	5 Days	1/14-20
Identify your NAICS Code: census.gov/eos/www/naics/ Identify the Associations that cover your industry by researching the Encyclopedia of Associations (aka Associations Unlimited). Attend tradeshows and conferences. Join MeetUp, Yahoo, and Google groups. Contact a minimum of 5 members per day from the Association that covers your industry. Ask as many questions as you can to: 1) Determine if your business idea is sound; 2) Identify any trends in your industry that you should be aware of; and 3) Identify information, resources, and relationships that may be beneficial to your business.	<i>Successful Business Plan</i> Chapter 2 "How-to Videos and Podcasts" "Market Research: Information Sources for Small Business" smallbiz.nypl.org	5 Days (5 calls per day)	1/21-27
Meet with a Business Advisor		1 Day	1/28
Draft Cover Page, Company Description	<i>Successful Business Plan</i> Chapter 5	2 Days	1/29-31
Meet with a Business Advisor		1 Day	2/4
Research Your Industry Research industry sources such as newspapers, journals, and articles in online databases available at the Science, Industry and Business Library – <i>Business Insights</i> , <i>FACTIVA</i> , <i>Business Source Complete</i> , <i>EBSCO</i> , <i>Plunkett's Research Online</i> , and <i>First Research</i> . Draft Industry Analysis Section of Your Plan.	<i>Successful Business Plan</i> Chapter 6	15 Days	2/5-25

Contents

- **What is Marketing**
- **Why Marketing Fails**
- **Research – Target Market, Competitor**
- **Marketing Strategy**
 - 4Ps
- **Select Marketing Tactics and Channel**
- **Marketing Schedule**
- **Measure Success of Your Campaign**
- **Resources**
- **Takeaways**
- **Q&A**

What is Small Business Marketing?

Small business marketing consists of those business activities that relate directly to:

- Identifying a **target market**
- Determining target **market potential**
- **Preparing, communicating,** and **delivering** a bundle of **satisfaction** to the target market

Why Marketing Fails

1. Confusion About What Marketing Really Is
2. Using Only One Form of Marketing
3. Not Articulating What Makes you **Unique**
4. Ignoring Readily Available **Research**
5. Campaigns That Don't **Connect** With Customers
6. Refusing to **Measure/Track** Marketing Results

Solve Your Identity Crisis

- What is your **marketing strategy**?
- What are your business/marketing **goals**?
 - **ROI** (Return On Investment)
 - **Market Share**
- What is your **sales pitch**?
- What do you sell? (lifestyle, convenience, etc.)
- What is your **brand**?
- What **value** do you create?

The Marketing Plan



1. Target Market Analysis

Target Market

Group of people (B2C) or businesses (B2B) that have similar wants and needs and that can be expected to show interest in the same products/services

Market Segmentation

Process of dividing a market into categories of customer types



Identifying Market Segments

Demographic Variables

Characteristics of populations that may be considered in developing a segmentation strategy

- gender, race, age, income, disabilities, home ownership, employment status, education

Geographic Variables

Geographical units that may be considered in developing a segmentation strategy

- local, regional, national, international

Identifying Market Segments

Segmentation Variables Consumer Markets	Segmentation Variables Business Markets
<p>Demographics age group (e.g., teens, retirees, young adults), gender, education level, ethnicity, income, occupation, social class, marital status</p> <p>Geographics location (e.g., national, regional, urban/suburban/rural, international), climate</p>	<p>Demographics type (e.g., manufacturer, retailer, wholesaler), industry, size (e.g., sales volume; number of retail outlets), age (e.g., new; young growth, established growth, mature)</p> <p>Geographics location (e.g., national, regional, urban/suburban/rural, international), climate</p> <p>Business Arrangement ownership (e.g., private versus public, independent versus chain), financial condition (e.g., credit rating, income growth, stock price, cash flow)</p>

Identifying Market Segments

Psychographic Variables

Consumer characteristics, such as lifestyles, opinions, interests, and attitudes

Product Use Variables

Consumer characteristics based on the ways in which a product is used, the brand loyalty it enjoys, and the reasons for which it is purchased

2. Why Study the Competition?

- **Leverage** Experience/Expertise
- Identify Target Markets, **Niche Opportunities**
- **Pricing Strategies**
- Product **Features** and **Benefits**
- **Customer Service** Strategies
- **Promotion** Strategies
- Identify Marketing **Tactics and Channels**

2. Analyzing the Competition

Competitor Analysis

- Who are your **five nearest direct** competitors?
- Who are your **indirect** competitors?
- Is their business **growing**, steady, or **declining**?
- What can you learn from their **operations** or from their **advertising**?
- What are their **strengths** and **weaknesses**?
- How is your product or service different from your competition?

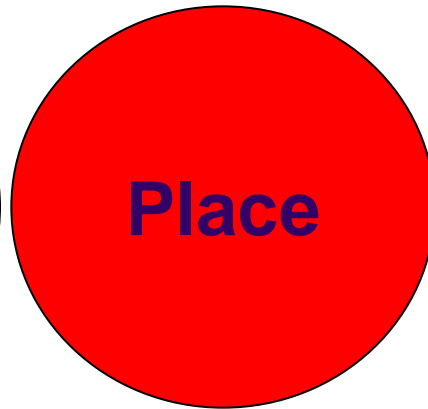
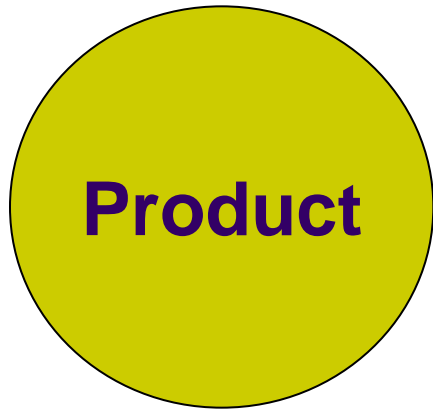
Analyzing the Competition

Gathering information about competitors...

- **Internet** (...what is on their website?)
- Personal **visits** (...what do the premises look like? ...how are the products displayed and priced?)
- What do your **customers say** about your competitors? (...ask them!)
- Competitor **advertisements**
- Trade shows, industry association publications, news articles
- Industry surveys and databases at SIBL

3. What is a Marketing Strategy?

- ❑ A marketing strategy determines how your business **fits** into the marketplace.
- ❑ The four primary elements of the strategy known as the **marketing mix** aka “**Four P’s**,” are?



Marketing Mix or The Four “P’s



Product Decisions. The term "product" refers to tangible, physical products as well as services. Here are some examples: **Brand name**
Functionality, Styling, **Quality**
Safety, Packaging, **Repairs and**
Support, **Warranty**, Accessories and services

-

Effective strategies for startups:

- Concentrating on a **narrow product line / service offering**
- Developing a **highly specialized product or service**
- **Product-service package** containing an unusual amount of service

Marketing Strategy - Product

- Determine features **worth the cost**
- **LEAN MVP (Minimal Viable Product)** - product with just the necessary features to close sales
- **Features** and consumer **benefits help position your product(s)/service**
- Foundation for building **promotional and advertising programs.**

Marketing Mix or The Four “P’s



Price

Pricing Decisions Some examples of pricing decisions to be made include:

Pricing strategy (skim, penetration, etc.), **Suggested retail price**, **Volume discounts and wholesale pricing**, **Cash and early payment discounts**, **Seasonal pricing**, **Bundling**, **Price flexibility**, **Price discrimination**

Marketing Strategy – Price

- Determining **price levels** and/or **pricing policies** (including credit policy) directly affects total revenue.
- Generally, higher prices mean lower volume and vice-versa
- Small businesses can often command higher prices because of the **personalized service** they can offer.

Pricing Strategies

Setting prices can be based on the following

1. **Cost**
2. **Customer expectations**
3. **Competition**
4. **Goals**
5. **Brand**

Pricing Strategies



Marketing Mix or The Four “P’s



Place

Distribution (Place) Decisions

Distribution is about getting the products to the customer. Examples include: **Distribution channels**

Market coverage (inclusive, selective, or exclusive distribution), **Specific channel members**, **Inventory management**, **Warehousing**, **Distribution centers**, **Order processing**, **Transportation**, **Reverse logistics**

Marketing Strategy – Place

- Off the back of the truck
- Street Level (Street Fairs)
- Direct Sales – Phone/Inperson
- Ecommerce -Internet
- Wholesale
- Retail - Storefront
- Established distributors

Marketing Mix or The Four “P’s



Promotion

Promotion is the key element in **telling** consumers that your product exists, **informing** them about it and about why they should buy it. Examples include: **Promotional strategy** (push, pull, etc.), **Advertising**, **Personal selling & sales force**, **Sales promotions**, **Public relations & publicity**, **Marketing communications budget**

Marketing Strategy - Promotion

- This marketing decision area includes **advertising, salesmanship** and other **promotional activities**
- In general, high quality salesmanship is a must for small businesses because of their limited ability to advertise heavily
- Good advertising is a must for small retailers

Marketing Implementation Questions

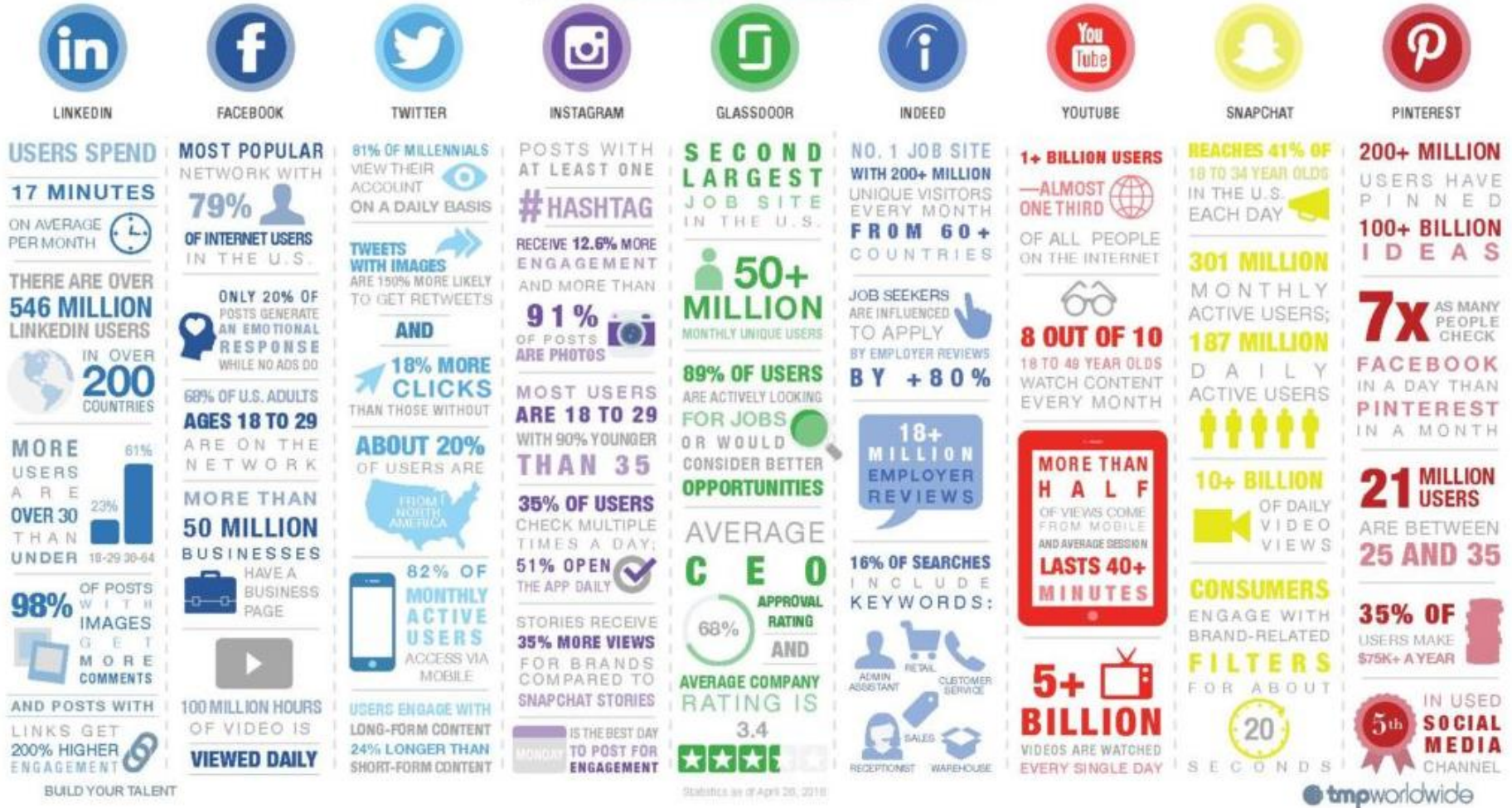
- **What** specific **marketing activities** will be undertaken?
- **When** will these activities be performed?
- **How** will these activities be performed?
- **Who** is **responsible** for the completion of these activities?
- **How** will the planned activities be monitored?
- **How** much will these activities **cost**?

Tactic, Tactics, Tactics

1. Advertising Specialties
 2. Airport Billboards
 3. Articles
 4. Auctions
 5. Auto-responders
 6. Automobile signage
 7. Award Recognition
 8. Bartering
 9. Billboards
 10. Bonus Offers
 11. Bookmarks
 12. Brochures
 13. Business Cards
 14. Case Studies
 15. Catalogs
 16. Cause Marketing
 17. Cinema Ads
 18. Community Events
 19. Contests
 20. Courses
 26. Cross Promotion
 27. Customer Loyalty Programs
 28. Direct Mail
 29. Discussion Groups
 30. Door-to-Door
 31. Door Hangers
 32. Endorsements
 33. Exclusives
 34. Ezines
 35. Facebook.com
 36. Feedback forms
 37. Flyers
 38. Follow-up Marketing
 39. Forums & Newsgroups
 40. Gift Cards
 41. Guarantees
 42. Holidays
 43. Infomercials
 44. Interviews
 45. Link Strategies
 46. List Building
 47. Mailing Lists
 51. Magazine Advertising
 52. Mobile Ads
 54. Network Marketing
 55. News Feeds
 56. Newsletters (snail)
 57. Newspaper advertising
 58. Niche Marketing
 59. Phone Consulting
 60. Postcards
 61. Posters
 62. Sales Presentations
 63. Public Relations
 64. Publicity
 65. Radio Advertising
 66. Referral Marketing
 67. Reports
 68. Reviews (Customer & Professional)
 69. Rewards Programs
 70. Sales Calls
 76. Sales Letters
 77. Seminars
 78. Signature files
 80. Sign Spinners
 81. Speaking Engagements
 82. Special Events
 83. Special Occasion Gifts
 84. Surveys
 85. Sweepstakes
 86. Syndication
 87. Telemarketing
 88. Talk Shows
 89. Television Advertising
 90. Testimonials
 91. Thank You pages
 92. Tips
 93. Trade Journal Advertising
 94. Training
 95. Tutorials
 96. Unsubscribe message
 97. Publicity
 98. Voicemail
 99. Referral Marketing
 100. Reports
 101. Welcome or confirmation message
 102. White Papers
 103. Window Displays
 104. Word of Mouth
 105. Yellow Pages
- E-Marketing**
106. Affiliate Marketing
 107. Audio Marketing
 108. Blogging
 109. Banner Ads
 110. Craig's List
 111. EBay
 112. Efaxing
 113. Email Marketing
 114. Keywords
 115. Newsletter (email)
 116. Optimized Press Releases
 117. Video Marketing
 118. Pay-per-Click
 119. Pod-casting
 120. Pop Ups
 121. Internet Radio
 122. Search Engine Optimization
 123. Social Networks – LinkedIn, MySpace, FaceBook
 124. RSS Feeds
 125. Tele-Seminars
 126. Website
 127. Webinars
 128. Viral Marketing

Social Media Channel Statistics

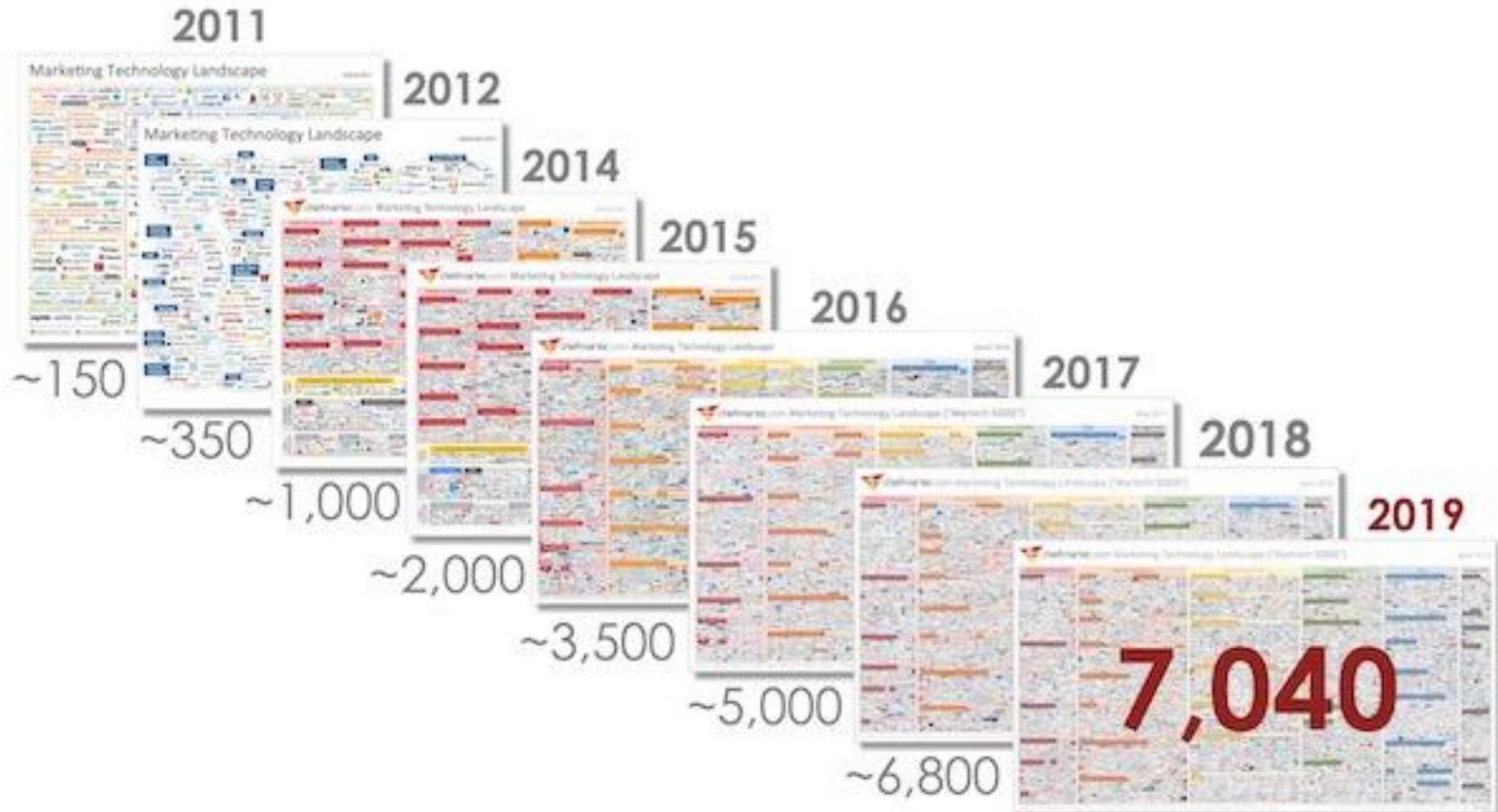
2018 SOCIAL MEDIA CHANNEL STATISTICS



Social Media Effective Use

	TWITTER	FACEBOOK	YOUTUBE	INSTAGRAM	LINKEDIN	PINTEREST	TUMBLR	SNAPCHAT	MEDIUM	PERISCOPE
USER ROLE	MY NEWS FEED	MY FRIENDS	MY TV	MY SCRAPBOOK	MY RESUME & ROLODEX	MY LOOKBOOK	MY DIARY	MY DAY TO DAY LIFE	MY BLOG	MY LIVE BROADCAST
EXECUTIVE OPPORTUNITY	CONNECTING TO INFLUENCER AND CONSUMER → IN THE MOMENT	ONGOING RELATIONSHIP WITH CLOSEST FANS	SHARABLE CONTENT THAT INSTILLS TRUST	COMPELLING VISUAL STORYTELLING	CONNECTING TO BUSINESS GROUPS+ CURRENT/POTENTIAL EMPLOYEES	LIFESTYLE BRANDING WITH LINKS TO SITE	LIGHTWEIGHT VISUAL BLOGGING POSSIBILITY	SHARING LIFE IN THE MOMENT	OWN & PUBLISH YOUR VOICE	KEEP AUDIENCE ENGAGED AND INCLUDED
AUDIENCE	PRIMARILY UNITED STATES	LARGEST GLOBALLY	EXTREMELY ENGAGED	MILLENNIALS	BUSINESS PROFESSIONALS	WOMEN	TEENS	TEENS & MILLENNIALS	EDUCATED, TECH-SAVVY, JOURNALISTS	35& YOUNGER
CONSIDERATIONS	DON'T BE AFRAID TO POST FREQUENTLY TO REACH A WIDER AUDIENCE	FOCUS ON THE FEED, BE RELEVANT, AND RESPECTFUL	CREATE REGULAR CONTENT TO BOOST YOUR SEARCH-ABILITY	THERE IS APPETITE FOR MORE POSTS IF YOU HAVE GREAT CONTENT	POST DURING THE WORK WEEK	DISCOVERY ON PINTEREST TODAY IS FEED-DRIVEN FOR FRESH PINS AND SEARCH/NAVIGATION DRIVEN FOR OLDER PINS	FOCUS ON QUALITY AND CONSISTENCY	VIDEOS CAN ONLY BE 10 SECONDS LONG BUILD YOUR SNAPCHAT STORY WITH SEVERAL VIDEOS OR PHOTOS	CONTROLLED MESSAGING REACHING A WIDER AUDIENCE	TIMING AND LOCATION ARE EVERYTHING

Marketing Technologies

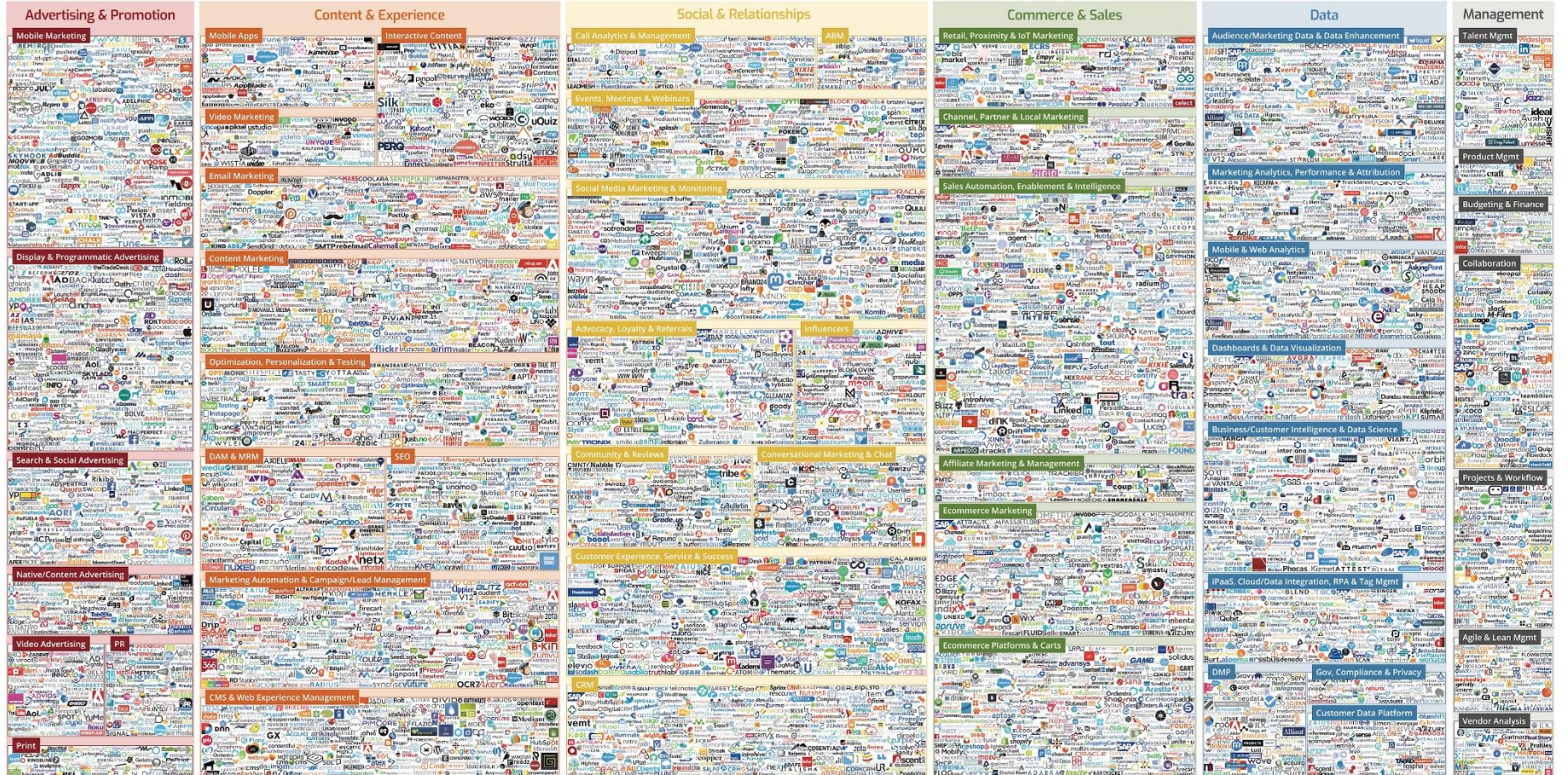


Marketing Technologies



chiefmartec.com Marketing Technology Landscape ("Martech 5000")

April 2019



Marketing Automation Landscape

Marketing Automation & Campaign/Lead Management



E - Marketing Resources

Freelancers

- Upwork.com, Freelancer.com, Upstack, Fiverr.com, Toptal.com, Legiit

Ecommerce Platform Builder

- Clickfunnels.com
- Leadpages, Instapages, Optimizepress

Online Marketing Education

- www.Facebook.com/blueprint
- www.Hupspot.com
- www.Marketo.com

Guerilla Marketing

Guerrilla marketing

unconventional system of promotions that relies on time, energy and imagination rather than a big marketing budget.

- Unexpected and unconventional;
- Potentially interactive
- Consumers are targeted in unexpected places.
- Create a unique, engaging and thought-provoking concept to generate buzz, and consequently turn viral.

Guerilla Marketing Tactics

- ❑ **Develop sales script (elevator speech)**
- ❑ **Sell at every opportunity**
- ❑ **Organize community-oriented project**
- ❑ **Sponsor memorable events**
- ❑ **Speak at many occasions**
- ❑ **Ask for referrals**
- ❑ **Offer gift certificates**
- ❑ **Create samples**
- ❑ **Offer 100% money-back guaranty**
- ❑ **Create 'Frequent Buyer' program**
- ❑ **Clip articles and send reprints**
- ❑ **Code coupons on ads**
- ❑ **Create tip sheets**
- ❑ **Create an award**
- ❑ **Conduct a contest**
- ❑ **Collect testimonials**
- ❑ **Get a journalist to write about you**
- ❑ **Find unique ways to thank customers**
- ❑ **Show an interest in customer needs**
- ❑ **Give a freebie occasionally**
- ❑ **Create a newsletter**
- ❑ **Cooperate with other businesses**

Which Medium Should I Use?

Web and Online Marketing

- Online Ads, and banners, Pay Per Click, SEO, Website
- Email campaigns

Prints and ads

- Direct mail campaigns (post cards and fliers)
- Advertising
- Signs and billboards
- Article and Press Release

TV and Radio

Viral marketing (networking and word of mouth)

Public Speaking and Seminars

Selecting Marketing Elements

Types of Marketing	Cost	Reach	Dialogue	Easy to Measure	Effectiveness
Direct Mail	Med	Targeted	2-way	✓	High
PR	Low	Med	1-way		Low
Advertising	High	Broad	1-way		Low
Sales Promotion	Med	Low	2-way	✓	Med
Personal Selling	High	Low	2-way	✓	High
Online Marketing & Newsletters	Low	Targeted	1-way		Med
Telesales	High	Targeted	2-way	✓	High
Seminars/Events	Low	Targeted	2-way	✓	High
Trade Show	Med-High	Targeted	2-way	✓	Med
Trade Magazines	Med	Targeted	1-way		Med

Media Habits of Target Consumers

MediaMark and Simmons Media

Research (Access MRI Consumer Survey data and Simmons data in the **Simply Analytics** database at SIBL)

Select **best channels** to reach your customers

Provide information on the **media habits** of your target consumers, such as:

- what radio stations, type music they listen to
- what magazines they read, etc.
- demographic characteristics of readers, listeners, and viewers
- exposure patterns to various media.

Locate Possible Media Channels

Standard Rate and Data Service (SRDS) - online database at SIBL)

- Locate **media channels**
- **Pricing** and Advertising Rates
- Production specification for every possible type of media in the U.S.
 - Newspapers
 - Magazines
 - Community Publications
 - Television
 - Radio stations
 - Online Media

Gale Directory of Publications and Broadcast

Media (Gale Directory Library database)

- Advertising Rates
- Circulation Statistics
- Local Programming
- Names of Key Personnel
 - 37,000 newspapers
 - Magazines
 - Journals
 - Radio
 - Television, and Cable Stations

Measure The Success of The Campaign



- Profit and Loss Statement
- Breakeven Point Analysis
- Return On Investment (ROI)
- Conversion Rate
- Cost per Customer Acquired

• http://www.marketingtoday.com/tools/roi_calculator.htm

Measure The Success Of The Campaign

Input Data	
Number of pieces you are mailing or e-mailing:	<input type="text" value="1000"/>
Total program costs:	\$ <input type="text" value="500"/>
Response Rate: % of responses expected:	<input type="text" value="20"/> %
Conversion Rate: % of responders expected to make purchases:	<input type="text" value="3"/> %
Average profit per sale:	\$ <input type="text" value="300"/>
<input type="button" value="Calculate"/> <input type="button" value="Reset"/>	
Results	
# Responders:	<input type="text" value="200"/> Cost per response: \$ <input type="text" value="2.5"/>
# Buyers:	<input type="text" value="6"/> Cost per buyer/new customer: \$ <input type="text" value="0.83"/>
Total Profit from Campaign:	\$ <input type="text" value="1800"/> Cost per piece: \$ <input type="text" value="0.5"/>
Marketing ROI:	<input type="text" value="260"/> %

•http://www.marketingtoday.com/tools/roi_calculator.htm

Marketing Budget & Schedule



	Marketing Budget												20XX
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
Customer Data Base													\$ -
Business Cards									\$ 120	\$ -	\$ -	\$ -	\$ 120
Stationery									\$ 250	\$ -	\$ -	\$ -	\$ 250
On-Hold Message													\$ -
Network Group	\$255	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 585
Web Site			\$ 1,750	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 1,930
Email													\$ -
Penny Saver								\$ 200	\$ 400	\$ 400	\$ 400	\$ 200	\$ 1,600
Shopping Bag													\$ -
Yellow Pages													\$ -
Open House/ Roundtables									\$ 700	\$ 350	\$ 100		\$ 1,150
Flyers									\$ 100	\$ 100	\$ 100	\$ 100	\$ 400
Seminars									\$ 200	\$ 150	\$ -	\$ -	\$ 350
Val Pak													\$ -
Telemarketing													\$ -
Direct Mail													\$ -
Testimonials													\$ -
Referrals													\$ -
Other	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$120
TOTAL	\$265	\$40	\$1,790	\$60	\$60	\$60	\$60	\$260	\$1,830	\$1,060	\$660	\$360	\$6,505

Promotional Budget should be at least 1% - 3% of gross sales.

Print Resources

- **Library Catalog** - <http://catalog.nypl.org>
- **Green Book** (a listing of market research companies and services, published by the AMA)

Marketing Associations

- **American Marketing Association**
- **Direct Marketing Association**
- **Marketing Research Association**

Provide recent publications in the field of marketing research.

Advertising Agencies

Standard Directory of Advertising Agencies

(Advertising Redbook)- print directory and online database

- Describes advertising agencies across the country and ranks the largest firms by gross billings.

Note: Before engaging an agency, always ask for client testimonials

Takeaways

- Research Industry and Competitors
- Clearly Define your Target Market
- Develop a Marketing Strategy
- Select Appropriate Vehicles
- Integrate Marketing Throughout your Plan
 - Management Team
 - Target Market
 - Marketing Schedule
 - Budget Associated Cost in Income Statement
 - Review Sample Marketing Plans
 - Google “sample marketing plans”

QUESTIONS