

## Marketing Plan

### Part 5 – Plan Basics – Marketing Budget and Your Weapons

As with the seven questions for the strategy summary, there are seven basic sections or elements of a marketing plan:

- The Benefit to the consumer
- Your positioning in the marketplace: Just what business are you in?
- Your target market
- Your marketing / advertising strategy and positioning
- **Your marketing budget**
- **The tools and techniques (weapons) you will use to reach your audience**
- **A month-by-month implementation schedule**

In this article we will look at **Your Marketing Budget, Your Marketing Weapons and the Implementation Schedule.**

#### **Your Marketing Budget**

When developing your marketing budget, and yes everyone needs a marketing budget for the following reasons.

- ✓ There is a natural ebb and flow of the business cycle for every business. Spending your marketing dollars at the wrong time, becomes a double whammy – a) you've either spent marketing dollars you could have conserved or didn't spend enough and b) the return on those dollars will not be as effective as they should be.
- ✓ Unless its on paper, it's a concept not a plan.
- ✓ Without setting down a concrete budget you won't have the road map you need.
- ✓ Without setting down a concrete budget it's too easy to forget, rationalize and justify changing the dollars spent.

When starting your budgeting process the number one thing you need to do is determine what percentage of revenue you are going to spend on marketing. 10% is a good starting point. Review your annual business plan (you have done your annual plan haven't you) and spend accordingly. Reviewing your annual business plan will also give you an idea of the ebb and flow of your business cycle and tell you when to increase or decrease the percentage.

Another option is to figure out the life time value (and the annual value) your customers and figure out what it is worth to retain your current customers and gain new customers. Gaining new customers is more expensive than retaining current customers. Figure out your current customer base and their annual value to extrapolate your current customer base value. Next, review your annual business plan if your sales are more than this (and it better be) figure out the new customers you are going to acquire. This will tell you, in a bit finer detail how much to spend on marketing and when.

## Marketing Weapons

In Jay Conrad Levinson's recent writings he has come up with 200 Marketing Weapons. These range from Mini-Media (Business Cards, Stationary, Brochures, etc), Maxi-Media (Advertising, Direct Mail and so on), E-Media, Info-Media, Non-Media, Company Attributes and Company Attitude.

Go through these and decide which ones are cost-effective for you to reach your market. Make a list of tools, their cost per use, monthly frequency and monthly cost. Review and refine the list until you have a finely honed batch of tools and weapons.

## A month-by-month implementation schedule

Next, layout a 12 month grid with months across the top and the weapons and tools down the side. Determine which weapons you're going to use and when you're going to use them. Stick to the plan, review it monthly and revise as necessary.

Now you have a well thought out, coherent and cohesive plan. It's time to implement it, go get going!!

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