MARKETING STRATEGY

The market plan is one of the most important planning tools for businesses. It is used to determine if there a market for the products or services. Recent years has seen a switch from creating a product or service that meets the consumers' specific needs as opposed to creating demand for the products or services. Once the product or service has been chosen, the market must be analyzed. This is where the market plan comes in.

A plan has four basic functions:

1. It tells individuals what resources are required.
2. It shows what specific things need to be done.
3. It gives goals that are measurable.
4. It forces the "homework" to be done.

The best way to start to generate a market plan is to:

1. Begin with the objectives of the business.
2. Generate a marketplace perspective
3. Determine any constraints or limitations
4. Make an outline of the key elements or tactics needed.

Marketing plans are built around the "marketing concept" theory, which gives structure to identifying and satisfying the customer's needs.

THE MARKETING CONCEPT

The market concept theory is based on the importance of the customers to the business. The basis is that all policies and practices of the business should be based upon the goal of satisfying the customers. In order to use the marketing concept, four steps need to be achieved:

1. MARKET RESEARCH - determining the demands or needs of the customers.

2. MARKET STRATEGY - analysis of the competitive advantage.

3. TARGET MARKETING - selecting which specific markets to serve.

4. MARKET MIX - determining how to serve the needs for the target markets.

MARKET RESEARCH:
The gathering of information about the present and prospective customer needs. This most commonly done through questionnaires and surveys.

MARKET STRATEGY:
Small Businesses can gain a competitive advantage over larger competitors by tailoring their products or services to meet the demands of the individual customer. This tailoring can be done through the means of the product/service offered, price, promotion, and distribution. The above are known as the marketing mix. Another advantage is that small businesses offer a more personalized interaction with the customer.