Marketing and advertising action plan

In the previous two chapters you have established your sales goals and determined what marketing actions need to be taken to reach those goals from an internal marketing standpoint in other words the things your company and your employees can influence. The next step is to fill in the gaps and go the extra mile through external marketing and advertising. So how much will this cost? The real question is how much can you afford. There are several ways to determine this. The most common formula to determine how much money you should allocate for your marketing effort is a percentage of sales. If you're just starting out, you need to figure what projected sales are going to be (which you should have completed in the first section of this series). You may want to be conservative if this is your first time. Generally speaking, a marketing budget should be somewhere between 5% to 7% of your total sales from your previous year. If you had a bad year, use the year before as a sales figure.

When it comes to putting together a marketing and advertising plan and implementation of the plan through external advertising resources, you may want to consider employing an advertising agency. The advantage of connecting with an advertising agency is they can analyze the different medias that are available, and determine the most cost-effective combinations, giving you the biggest bang for your buck.

Let's take a moment and quickly review the different types of media available and then we'll talk through a strategic plan so that you'll be better equipped to clearly explain your goals and objectives to the ad agency.

Print media

Print media is made up of newspapers magazines posters or other forms of advertising that is printed, with few exceptions. Even though outdoor advertising, direct mail and transit advertising are printed, they have their own classifications.

Newspaper

Being a small business, if you advertise in the newspaper it's a local publication. If you're in a smaller town give a smaller audience that will read your message. If your market area covers several towns you might want to look at a neighboring newspaper as a possible medium. A newspaper ad is usually a one shot, one-day endeavor meant to peak the customers interest act that day.

Magazine

Magazine advertising is more expensive the newspaper. Magazines have a longer exposure time. Where newspaper is usually thrown away after one day, unless it's a weekly magazine usually stays around until the next issue, sometimes longer.

Broadcast

Broadcast media generally refers to television and radio.

Television

Television is probably the most expensive medium you can buy. Local television however, can be relatively inexpensive. A local station may offer to write and produce your TV ad for free service for buying a certain amount of time. Be wary of this, however, as most stations tend to use a formula and weak copy. Remember, you get what you pay for. Television also requires a longer time to get your message to air.

Cable TV stations

You can buy local inventory on some cable networks, spots are usually bought by day part: morning, afternoon, evening, late night, etc.

Radio

Radio is much less expensive than television and radio can be quickly produced and in some cases you go on air the same day as the spot is made. Again, some radio stations will offer you the service to write and produce draft. We suggest that you let your advertising agency do that so they can align with the strategy you and they have agreed on.

Direct mail or direct response

Direct mail can be quite effective. Many people regard direct mail as junk mail. It may be junk to 90% of the recipients but if you get a 1.5% response on your direct mail, your successful. While most people may not be in the market to try or buy your product, the small percentage that are will be interested in will at least consider responding. Those who do will more than pay for your mailing.

Outdoor advertising

Outdoor advertising is seen most often billboards, however outdoor advertising can be done on the side of the building, and the kiosk on the sidewalk or at a bus stop.

Billboards are priced by the month in the amount of traffic exposure. The more the exposure, the higher the cost. Often we also pay for the printing of the board. Many boards are printed as a single sheet on a large digital printer and printer plastic. They may be easily moved from location to location for more exposure in larger markets.

More and more digital billboards now available. These are less expensive as you share the rental of the board with several other advertisers. Messages are only displayed for a few seconds and frequency affects the cost. These boards may have advantages such as length displays for darkness and the ability to change the message frequently.

Promotions

Promotions are often done face-to-face with customers, promotion often offers giveaways like T-shirts, key chains, free samples and so on. If you go to the grocery store and see someone giving out samples of a food product they're doing a promotional advertising.

Digital

Anything online from website banners to social media is considered digital media

Websites

With information on display ads, banner ads, pop-ups, crawls, floaters, interstitials, rich media and others that are constantly being invented, internet advertising can be focused in several ways.

Search

Keeping your basic business information your address, phone number, website in our solar operation up to date in business listing sites such as Google, Bing, Yahoo, local, Yellow Pages.com, YP.com, city grid network, yelp, Manta and other specialized sites such as Angie's list is a good way to ensure your business is surfacing in your customers web and mobile searches. About 70% of all Internet users to local searches, searching with terms that include anywhere factor such as city name or zip code. You should also be aware of what information is listed in mapping programs for your business, and make sure that it is accurate and up-to-date.

Social media

Another digitally-based platform, social media includes literally scores of websites that enable you to communicate with your customers. Some of the most popular sites are Facebook, twitter, foursquare, instagram and pinterest. These sites not only connect you to your customers that your customers to each other.

Social media sites come and go. When you consider which sites to use in your marketing, work with an expert your advertising agency and have them recommend what they think is best for you and your business.

It's a good idea for you to know the different social media sites and what they might do for you. Not all social media is for everyone so don't think you need to be on every one.

Much like this marketing plan, social media must be planned and involve a strategy. Otherwise it will be haphazard and a waste of time. Again, your advertising agency ought to be up to recommend the best social media for your type of business. This list can help you speak to your needs.

Facebook

Social networking site, Facebook is a huge following and is the most popular of all social media sites. Mentorship is required. Originally devised for the college market, Facebook has grown to include virtually everyone, including companies. Facebook also offers an advertising option.

Twitter

Twitter is a microblog or SMS (short messaging service). That means that members can network socially by placing messages to their followers but a limited amount of space 140 characters. There are registered and unregistered users of twitter. Registered users are allowed to tweak, but unregistered users can only read tweets.

Foursquare

Foursquare uses GPS hardware to tell the network a person's location after they check in through their smartphone application to connect with friends. These chickens are posted on Facebook and twitter and have levels of participation and rewards that are tied to a scoring system.

Tumblr

based on a short form blog, Tumblr has great customizable features including acute that allows you to make a schedule as to when you want posts to be made. Like twitter, tumblr also links your post to Facebook and twitter. The social networking site also allows users to link to similar post in other areas.

There are several other social networking sites, but these are the most used sites the best for small businesses.

E-mail marketing

The digital world has created several opportunities to interact directly with customers who are interested in what you have to offer. E-mail marketing is a great way to keep your customers updated on new offerings and news about your company. This also gives you an opportunity to push specials such as coupons, special events and secret sales to them. This adds value to the relationship you establish with them by capturing their e-mail address either from your website or from their filling out a form. E-mail marketing is instant. If you have an idea to run a promotion, you can send it to your customers in the morning and reap the benefits by the afternoon. The best way to make e-mail marketing work for you, however is the plan.

Website

If you have a website, you're already in communication digitally with your customers. If you don't there are questions you need answered before you get your own URL. The first question is, what do you want your website to do?

Many businesses create a website because everybody else has one. That's a misinformed reason. A website can be very valuable to your business when it's done right, and it can be very damaging to your business when it isn't. Many websites have either too much going on, unappealing type of graphics, or poor navigation. Visitors to these will leave and never return. As a local business you want information such as your address, phone number, and hours of operation easy to find. You should also get a clear idea of what kinds of products or services you offer, and offer an e-mail address that is one that someone on your staff monitors on a regular basis and will respond to quickly.

We suggest that if you do have a website, have a professional look at it and give you an analysis of effectiveness, ease of using graphic quality. If you don't have a website, we suggest that you hire professionals to build for you. If you want have access to make changes and additions, they ought to be able to provide you with that ability. If they can't, ask someone else.

Your website is a 24-hour, seven days a week representative of your company and is accessible by anyone who has Internet access. Having a website is expected for many businesses as more people shop from home and seek information on business before they consider using them. When your website is inviting, your business will be inviting and your customers will be happy. You also may want to consider making sure your website is optimized for mobile, if you suspect your customers will be searching for you or your products on their smart phones.

You may hear the acronym SEO when having a discussion about the web. This stands for search engine optimization. SEO attempts to bring your website to the front or first page of the search engine list when people search for your type of business or your business directly.

SEO is important to your web presence. When potential customers are searching the Internet for your type of business, they usually don't search past page 3. Pushing your site to the front means they will see you quickly will engage with your site.

SEO is a specialized field. If you have a website, ask your advertising agency if they offer SEO. If they don't, ask them to refer you to someone who can perform this service.

Sponsorships

Companies pay to place her name on banners, and programs, on T-shirts and signage for events, venues, as racecars and other opportunities to show their trademark large audiences at a single time.

What to look for in an ad agency

The main issue in finding an advertising agency is one of trust. You must trust your agency to give you sound advice, educate you when you need to be informed and know what strategies and tactics are most effective to help you grow your business.

Work with people you like Its best when you enjoy the company of the people who represent your business. You have frequent contact with them, including the owners of the agency.

Get references

if you're interviewing and agency, handled the interview as though you were taking on a partner in your business because you are. Find out what other clients the agency has and how long it's been representing them. Call the companies the agency represents and ask questions about billing, attentiveness, whether the agency listens to them and their effectiveness of work. Additionally, learn which suppliers the agency's use and check your credit payment history.

Know the people who are working on your account

be familiar with the salesperson, the media planner and buyer, and any creative people working on your account. These people are critical to your success.

Now that you're happy with your agency selection; it's time to get to work.

Share your marketing plan with them so they could formulate an advertising plan to help implement it. This is where the strategies and tactics, and the relationship is everything.

Be a collaborator

You're in this together so work together in on your agency for guidance. By collaborating, you may discover new ways of marketing your product or service to grow your brand.

Use the agency's expertise

Promotion companies and everybody might approach you with advertising opportunities. Direct all of them to your agency. Your agency will ask the right questions of these companies to best serve your plan in your direction.

Pay your agency on time.

The agency success depends on your success. Don't engage in have any advertising unless you can afford to pay the agency and pay them on time. Advertising isn't a wait-and-see proposition. It is prudent to hire an ad agency to do ads in hopes that the advertising was sufficiently raise sales to pay the agency. Some bad deal for both of you.

Work with the agency to plan out your goals, strategies and tactics as well as what this will cost to implement. Your agency ought to be content with you and your budget and no that by staying with the plan the business can increase. Would that increase chick on increasing your budget for next year, thus you both make money.

Alternative methods of compensation

Often times agencies have different models for how they are compensated, so be sure to ask your agency about any alternatives that may offer. Typically an agency is paid a retainer, usually on a monthly basis but for smaller businesses, other options may be more advantageous for both you and the agency. For specific program or project, you can have several agencies build on the work, but that can be confusing if you're comparing agencies with different skill sets different sizes. If you can establish a relationship with an agency on a project basis, or you contract them to deliver a specific campaign during a specific period of time, the cost is usually determined by the agency's time and materials it would be need to vote over the project. Guaranteed lead programs, or client only pays for leads delivered his options you might want to propose if the main purpose of your advertising at this stage your business is to gain sales leads. If you are a startup or new business trying to establish your brand, NHC might be willing to take a stake in your company in lieu of cash which also gives the agency an incentive to maintain the health of your brand for the long-term. Conversations about which compensation model would work best for your partnership should be held prior to your hiring the agency to clear understanding of what is expected from each partner established in order to ensure a smooth working relationship.

Get estimates

Ask the agency to provide estimates for every project. The scope of the project changes, make sure they give you a change order reflecting a new cost and sign it so that get moving on the change.

Ask questions

Question any billing, commission, markup or other expense. Once you've understood how your agency bills, you'll know the procedure.

When you find your agency, the next step is to finalize your marketing and advertising plan so that your ad agency can get to work putting together the tactical implementation part of your plan.

Generally speaking, an advertising agency will:

Determine who your target customer is by demographic profile which basically determines the average age of your clients, income, whether they own a home or not, whether they are married or single and once the demographic of your perfect prospect is identified, they can geographically target areas that have the highest concentration of people fitting that profile.

Next they'll do a psychographic profile. The psychographic profile analyzes the buying patterns of people living within these geographic areas. When you layer the demographics (where your best prospects are) over the psychographics how and why they buy things, your ad agency will have enough information to create the right message at the right time at the right place to maximize advertising results.

After the agency determines who your customer is where they are and what they're buying patterns are, their next initiative is to research your local advertising medias to determine what combination of different advertising medias will give you the greatest reach and frequency of message within the budget guidelines set forth.

Work back Plan

External Lead Generation plan Tab

In your work that plan under the extra lead generation tab, all of the information regarding monthly sales goals, leads generated by internal marketing avenues and the additional leads necessary through external lead generation is contained in one concise report.

As illustrated below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **External Lead Generation** | | |  |  |
| **Month** |  | **Jan** | **Feb** | **March** |
| **Revenue** |  | $86,398.59 | $76,876.66 | $75,621.00 |
| **Required Leads** |  | 31.58 | 42.11 | 47.37 |
| **Internally generated leads** |  | 30.56 | 29.12 | 29.35 |
| **Internal Lead cost** |  | $3,904.85 | $3,652.13 | $3,742.58 |
| **External lead needs** |  | 1.02 | 12.99 | 18.02 |
| **External Lead Cost** |  | $650.00 | $450.00 | $450.00 |
| **Projected external leads** |  | 4.00 | 3.00 | 3.00 |
| **Net lead needs** |  | -2.98 | 9.99 | 15.02 |
| **Total Marketing dollars** |  | $4,554.85 | $4,102.13 | $4,192.58 |
| **Total Lead Over / under** |  | 2.98 | (9.99) | (15.02) |
|  |  |  |  |  |

The rest of the plan is designed for you and your ad agency to review and develop a strategic plan of implementation. The following external advertising categories are included within the plan.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Web- Based** |  | Jan | Feb | March |
| Web-Site |  | $200.00 | $200.00 | $200.00 |
| Optimization Web site |  |  |  |  |
| Banner Advertising |  |  |  |  |
| Pay per click |  | $100.00 | $100.00 | $100.00 |
| Facebook |  | $50.00 | $50.00 | $50.00 |
| Twitter |  |  |  |  |
| Blogging |  |  |  |  |
| Other |  |  |  |  |
| **Projected leads** |  | 2.00 | 2.00 | 2.00 |
| **Total Cost** |  | $350.00 | $350.00 | $350.00 |
|  |  |  |  |  |

Your ad agency should be able to determine the most cost-effective method of web-based advertising your company should deploy within your budget in your area. For example, pay per click in rural areas may be very affordable whereas pay per click in heavily populated metropolitan areas may be extremely expensive compared to Geo marketed banner advertising.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Direct Mail** |  | Jan | Feb | March |
| Direct Mail - Letters |  |  |  |  |
| Direct Mail - Postcards |  |  |  |  |
| Free Standing Inserts (Fliers) |  |  |  |  |
| Door Hangers |  |  |  |  |
| Telemarketing |  |  |  |  |
| Projected Leads |  |  |  |  |
| **Sub-Total** |  | $0.00 | $0.00 | $0.00 |
|  |  |  |  |  |

Sending the right message at the right time to the right place this critical when it comes to direct mail. Most advertising agencies offer creative services that will design the appropriate message and work with you in designing the appropriate offer for the business cycle you're currently in to maximize your direct mail response.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Print ads** |  | Jan | Feb | March |
| Newspaper |  |  |  |  |
| Magazines |  |  |  |  |
| HOA newsletters |  | $200.00 |  |  |
| Bulletins |  | $100.00 | $100.00 | $100.00 |
| Yellow Pages |  |  |  |  |
| Other |  |  |  |  |
| Projected Leads |  | 2.00 | 1.00 | 1.00 |
| **Sub-Total** |  | $300.00 | $100.00 | $100.00 |
|  |  |  |  |  |

Combining print ads or broadcast advertising with direct mail and other media is always a great idea to maximize frequency of reach. Your agency will be able to determine the most cost-effective combinations of advertising and negotiate the best price for you to maximize results with annual budget.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Broadcast Media** |  | Jan | Feb | March |
| Television |  |  |  |  |
| Cable TV |  |  |  |  |
| Radio |  |  |  |  |
| Other |  |  |  |  |
| Projected Leads |  |  |  |  |
| **Sub-Total** |  | $0.00 | $0.00 | $0.00 |

Once you successfully finalized your plan, you may want to go back and revise performance benchmark areas of the plan such as closing percentages, average dollars per sale, percentage of lead turnovers from technicians and see what it would take to increase the amount of tune-ups or maintenance calls during the slower times of the year. Focusing on improving performance results rather than spending more on advertising is always the most profitable endeavor.