

The Marketing Plan

What is the Marketing Plan?



- A plan that describes the business objectives, the marketing strategies and tactics for commercializing a product or service

How Does the Marketing Plan Fit?

- A critical component for commercializing any product (or service)
- Analyzes the marketplace
- Documents the commercial activities needed to successfully sell the product
- Guides commercial milestone monitoring and establishes launch performance accountability

Marketing Plan Content

Section	Purpose
Objectives	Defines the goals for the product or service in terms of financial and customer objectives
Customer Need	Understand the market & customer so that features can be tied to important benefits; messaging to important needs
Marketing Strategy	Identifies the broad marketing approach that will be used to meet the plan's objectives: product features & benefits, positioning, place & promotion
Marketing Tactics	Defines what, who, when and how. Elaborates on the programs designed to drive sales
Pricing	Defines how the product / service is to be priced and explains the economic value for the customer
Competition	Identifies strengths & weaknesses of competition; how best to position product against theirs

Common Financial Objectives



- Setting financial objectives serves to guide the expense level for the marketing plan
- Usually covers
 - Revenue
 - Profit contribution: total dollars & profit margin
 - Market share

Customer Objectives

- Successful transactions are win – win
- Define how the customer wins - the value delivered to the customer
- Base customer objectives on the key benefits that the customer obtains
- Used to guide product positioning and messaging
- Examples:
 - Minimizes the negative impact of current treatment approaches
 - Fills a psychological need of caregivers
 - Reduce the frequency and/or severity of complications

Customer Need



- What customer need are you trying to serve?
- How is this need currently being met?
- How **WELL** is the need being addressed?
- What are the shortcomings to current approaches?

Marketing Strategy

- Defined as the basic approach that the business will use to achieve the product's commercial objectives:
- The strategies you pick are those that will cost-effectively maximize profits
 - When setting marketing strategies you
 - Select the marketing mix that will best influence your target market
 - Budget for marketing expenditures
- Note: start-ups can afford marketing expenditures
 - Selection of cost-effective vendors
 - Approach your market differently
 - Internet based qualification of customers versus direct sales force qualification
 - Use of social media for creating awareness

Marketing Strategy Example

New Sound Board

Strategy	Comment
Product	Three models: low, medium & high
Target market	Upper income households, with particular emphasis on females
Price	Priced 10% over competitive models
Sales promotion	Tiered rebate program to retail outlets that exceed sales target
Advertising	TV advertising focused for target customer; social media campaign to generate awareness
Sales force	Use existing team, supplemented by regional sound experts
Distribution	Through established retail and Internet partners
Service	Technical support desk manned at headquarters; swap through UPS

Product Value Proposition

- Defines the value that your product brings to the market
- Foresight's value proposition:
 - The ability to evaluate strategic and marketing challenges and identify pragmatic solutions that drive company growth
 - A long track record of innovative marketing strategy programming that drives product adoption
 - Deep healthcare industry experience, grounded in large company problem - solving approaches, and small company implementation resourcefulness

Product Positioning

To	Clinicians specializing in the management of burn patients
Who	Are passionate in their belief that their patients' treatment should be pain-free
Our Brand	Acme burn dressing
Is the	Treatment
That	Helps promote a natural healthy skin environment
Because	<ul style="list-style-type: none">■ It contains components that inhibit bacterial growth■ It is designed to remain on the affected area for up to 3 x longer

Targeting

- Not all prospects are equally likely to buy, so it is important to identify characteristics that make them more likely to buy; then pursue these prospects first
- Especially important for companies with limited funding for launch

Primary Target	Secondary Target
Burn surgeons who treat primarily pediatric patients	Burn surgeons who believe conventional approaches are the “gold standard”
Burn surgeons who are open to new ways of promoting skin health (early adopters)	Burn surgeons who don't believe that infection prevention is possible
Burn surgeons desperate to try approaches to avoid infections	

Campaign Messaging

Product Truth

What about our product / service is unique or different?

Human Truth

What is the unmet need or issue that can magnify our value?

Brand Idea

The Product Truth that best conveys the relevant need or issue

Breaking Down the Message

Intuitive to customers	Not Intuitive
Infections need to be prevented	<ul style="list-style-type: none">• That a high percentage of their patients experience infections using current standard of care
Point 2	<ul style="list-style-type: none">• Point 2
Point 3	<ul style="list-style-type: none">• Point 3
Point 4	<ul style="list-style-type: none">• Point 4
Point 5	<ul style="list-style-type: none">• Point 5

Marketing Tactics

- Defined as detailed explanations of the elements of the marketing mix

Marketing Mix Element	Potential Focus
Product	Explain details of features & benefits; how that addresses customer needs; list of all skus; launch timing; comparison to competitive offerings; product characteristics; packaging; pack factors; precautions / warnings; branding
Place	Sales team; incentives; outlets; priorities and focus; account targeting; early / late selling focus
Promotion	Detailed positioning statement; marketing message; sales brochures; advertising campaigns in TV, radio, print, web; pre-launch vs post-launch activity

Pricing

- Use value-based pricing or competitive comparators to set price

“List Price” = Price at which product is advertised

“Target Price” = ASP

“Floor Price” = Base price below which it is not advantageous to sell product



Marketing Programs

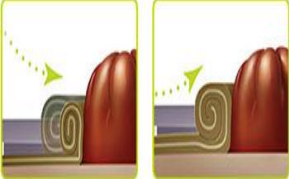


Focus	Rationale	Examples	Timing
Sales Training	Package designed to educate sales reps on the product	<ul style="list-style-type: none"> • Features & Benefits • Account strategy • Sales incentive programs 	Launch
Marketing Communication Launch Materials	Provide selling tools that will help sales team promote product	<ul style="list-style-type: none"> • Brochure & Advertising • Marketing case studies • Testimonials demonstrating product effectiveness • FAQs & Objection handling 	Launch
Unbranded clinical education	Educate customers about clinical challenges. Explain the impact of clinical challenges on outcomes and practices	<ul style="list-style-type: none"> • Clinical white papers • Scientific / clinical articles 	Launch to Launch + 18 mo
Conference Presentations	Use conference venue to discuss treatment issues and promote product effectiveness	<ul style="list-style-type: none"> • Presentations • Posters • Dedicated symposia 	Launch to Launch + 18 mo

Sample Marketing Plan Budget

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
ANNA Article Write-up	\$3,000											
User Group	\$2,000			\$2,000								\$2,000
EDTA Booth	\$3,600	\$3,600		\$5,350								
EDTA Flights			\$2,100		\$6,400							
ANNA Booth	\$3,500								\$2,000			
Early Adopter Program		\$4,500						\$4,500				
Society presentation							\$1,000		\$1,000	\$3,500		\$1,000
Clinical Advisory Board					\$17,450					\$10,150		
ASN Flights									\$1,250			
ASN booth					\$3,500				\$2,250	\$3,000		
Product branding	\$3,600											
Product Website	\$2,400											
Product blogger			\$1,300	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Press release	\$900					\$1,800					\$900	
Awareness brochure		\$1,500	\$18,750									
Product brochure				\$8,600								
Media kit				\$3,900								
Spec sheet				\$2,000								
Final training guide			\$2,500	\$2,500								
Product video				\$10,000								
Advertising campaign			\$1,200	\$1,200								
Web advertising				\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Print advertising					\$2,000		\$2,000		\$2,000		\$2,000	
Email blast					\$4,000					\$2,500		
Direct mail					\$5,000						\$1,500	
Total	\$25,000	\$11,100	\$27,350	\$46,150	\$45,350	\$8,800	\$14,200	\$13,900	\$16,700	\$27,350	\$12,600	\$10,000

Competitive Positioning

- It is critical to understand the positioning of your competitor
 - Your product does not exist in a vacuum

	Competitor A	Competitor B	Competitor C
Product			
Primary Claim(s)	<ul style="list-style-type: none"> • Moldable technology improves skin protection • Elastic seal snugly fits and swells over time for a tight fit • Reduces complications 	<ul style="list-style-type: none"> • Bodyfit technology fits individual body shapes • Pliability enables adapting to contours, skin folds • Responds to body movements, maintains a seal 	<ul style="list-style-type: none"> • May help to promote healthy skin • “Skin friendly” • References literature showing antibacterial and anti-inflammatory effects
Positioning	Prevent leakage		Promote health

- Good competitors will respond to your positioning
- Need to anticipate and develop your counter



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