

A Guide to Creating a Marketing Strategy

Business Information Factsheet
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Introduction

One of the most important factors that will contribute towards the long-term sustainable success of any business venture is defining and following a clear marketing strategy.

Despite this, most small firms do not have a formal marketing strategy or, even if they do, it is not followed and executed properly. A small business owner with the vision to create a dynamic, customer-focused marketing strategy - and the discipline to carry it out - will have a real opportunity to do something special with their business. This can help to create a 'buzz' that will set them apart from their competitors.

This factsheet explains the importance of having a marketing strategy, and how to use it properly to maximise the success of a business. It also includes hints and tips, and sources of further information.

What does a marketing strategy involve?

Having a marketing strategy is different to having a marketing plan (see BIF 44, Developing a Marketing Plan, for further information about this topic).

A marketing strategy involves choosing realistic, measurable and ambitious marketing goals that a business can achieve on a sustainable basis.

A marketing plan, on the other hand, will include the tactics and actions that are needed to achieve the overall strategic goals, and a timetable for their implementation. In other words, the plan will detail what to do to make the strategy happen, and each marketing tactic used should be 100% focused on reaching and surpassing these strategic marketing goals.

Why most firms miss out on the strategy front

The vast majority of business owners in all sectors tend to market themselves in the same way as their competitors. This often includes using supply-driven marketing messages based on product features, along with static websites and bland straplines and statements about what their business does.

They do this because it is easy. Business owners know their products and services better than anyone else. As a result, they promote themselves in terms that they understand but that their customers do not. They also do it because they look at what their competitors are doing and fall into the trap of doing the same things. Instead, it is better to seek a strategic difference and find a unique selling proposition (USP) that gives a real competitive edge.

Choose the right marketing strategy

Business advantage can be achieved by choosing a marketing strategy that will provide a genuine competitive edge to set a business apart from everyone else. There is no magic formula for doing this. Business owners cannot just implant an off-the-shelf marketing strategy into a business. It is down to the small business owner to identify and define a strategy in their own business and marketing situation.

There are a number of key principles that can be followed to help choose the right strategy:

- Identify exactly who the ideal target customers or prospects are, and where they are located.
- Understand exactly what these target customers want and need, why they need it, how they need it and when they need it.
- Focus on the USP that can be offered to meet customer needs completely.
- Refine the strategy based on what has been learned while testing the USP in the target market.
- Communicate the USP and ensure that it is articulated in all marketing messages, campaigns and sales channels.
- Recognise when the USP is working and promote it fast, first and proactively in the target market to achieve a healthy lead over competitors.

Decide on strategic goals

Every business will have different strategic objectives for its own specific situation. No matter where those objectives are focused, the marketing strategy will drive everything that a business does to achieve the business owner's goals.

Whether the aim is to double turnover in twelve months, maximise the value of a business in three years in order to sell it, or double the market share in six months, following a well-planned marketing strategy will improve the chances of achieving these goals.

With marketing efforts accurately aimed and completely focused on the needs of the target market, a business is far more likely to succeed.

Get the marketing strategy right

Traditionally, in professional marketing circles, business owners have always been encouraged to understand the importance of being market-led. This is even more critical today as market conditions change much faster due to technology, fashions and media influences, as well as customer tastes. The successful 21st-century marketer needs to choose the right target market, and then focus their business on meeting market needs by providing better value and benefits than their competitors.

How long should a strategy be kept?

A business and its marketing strategy cannot stand still. What is unique today is widespread tomorrow and unwanted the day after that. So the vital ingredient in a truly dynamic marketing

strategy is to strive for new and better ways to add value for customers, and to keep the business proposition unique in its chosen market.

Every single time a strategy is put into action, a business owner will learn something new about customer needs and whether the marketing offer is right for them. The focus of a marketing strategy should be a continuous process of finding a USP that will satisfy customers. This involves testing it, learning from it by recognising what is right and doing more of it, or changing what is wrong as soon as it becomes clear it is not working.

Hints and tips

- The most important aspect of any marketing strategy is identifying the right market audience at which to aim products and services. No matter how convincing the advertising, or how good the proprietor is at selling their services, the strategy may fail if the wrong target audience has been chosen, or if audience needs were misunderstood. Selecting a market that includes the customers most likely to buy a particular product or service means that it is possible to target a business proposition and its benefits to those customers.
- It is vital that business owners keep up to date with trends in customer preferences and buying patterns, and with relentless changes in technology and other external forces. Small firms that do not move forward constantly could find their biggest customers, market share or new markets stolen by competitors before they even have a chance to react.
- Business owners need to keep an eye on the marketing ball. The market focus of a business ensures the ability to keep providing the unique value and benefits that customers want and expect from a product or service.

Further information

BIF 1 Using a Market Research Questionnaire

BIF 44 Developing a Marketing Plan

BIF 47 A Guide to Sources of Market Information and Statistics

BIF 185 A Checklist for Start-up Market Research

Books

'The UK Small Business Marketing Bible'

David Frey

2007

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Useful contacts

The Chartered Institute of Marketing (CIM) is a membership association for marketing professionals. It publishes information and guidance on a wide range of marketing issues.

Tel: (01628) 427120

Website: www.cim.co.uk

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