

TABLE 2.2 Contents of a Marketing Plan

<i>Points</i>	<i>Section</i>	<i>Purpose</i>
5	Executive summary	Presents a brief summary of the main goals and recommendations of the plan for management review, helping top management to find the plan's major points quickly. A table of contents should follow the executive summary.
10	Current marketing situation	Describes the target market and company's position in it, including information about the market, product performance, competition, and distribution. This section includes: <ul style="list-style-type: none"> <li>• A <i>market description</i> that defines the market and major segments, then reviews customer needs and factors in the marketing environment that may affect customer purchasing.</li> <li>• A <i>product review</i> that shows sales, prices, and gross margins of the major products in the product line.</li> <li>• A review of <i>competition</i> that identifies major competitors and assesses their market positions and strategies for product quality, pricing, distribution, and promotion.</li> <li>• A review of <i>distribution</i> that evaluates recent sales trends and other developments in major distribution channels.</li> </ul>
10	Threats and opportunities analysis	Assesses major threats and opportunities that the product might face, helping management to anticipate important positive or negative developments that might have an impact on the firm and its strategies.
10	Objectives and issues	States the marketing objectives that the company would like to attain during the plan's term and discusses key issues that will affect their attainment. For example, if the goal is to achieve a 15 percent market share, this section looks at how this goal might be achieved.
40	Marketing strategy	Outlines the broad marketing logic by which the business unit hopes to achieve its marketing objectives and the specifics of target markets, positioning, and marketing expenditure levels. How will the company create value for customers in order to capture value from customers in return? This section also outlines specific strategies for each marketing mix element and explains how each responds to the threats, opportunities, and critical issues spelled out earlier in the plan.
10	Action programs	Spells out how marketing strategies will be turned into specific action programs that answer the following questions: <i>What</i> will be done? <i>When</i> will it be done? <i>Who</i> will do it? <i>How</i> much will it cost?
10	Budgets	Details a supporting marketing budget that is essentially a projected profit-and-loss statement. It shows expected revenues (forecasted number of units sold and the average net price) and expected costs (of production, distribution, and marketing). The difference is the projected profit. Once approved by higher management, the budget becomes the basis for materials buying, production scheduling, personnel planning, and marketing operations.
5	Controls	Outlines the control that will be used to monitor progress and allow higher management to review implementation results and spot products that are not meeting their goals. It includes measures of return on marketing investment.

by people who have the needed skills, motivation, and personal characteristics. The company's formal organization structure plays an important role in implementing marketing strategy; so do its decision and reward systems. For example, if a company's compensation system rewards managers for short-run profit results, they will have little incentive to work toward long-run market-building objectives.

Finally, to be successfully implemented, the firm's marketing strategies must fit with its company culture, the system of values and beliefs shared by people in the organization. A study of America's most successful companies found that these companies have almost cult-like cultures built around strong, market-oriented missions. At companies such as Dell, Nordstrom, Citicorp, and P&G, "employees share such a strong vision that they know in their hearts what's right for their company."<sup>19</sup>

### Marketing Department Organization

The company must design a marketing organization that can carry out marketing strategies and plans. If the company is very small, one person might do all of the research, selling, advertising, customer service, and other marketing work. As the company expands, a market-