

# How to Develop a Marketing Strategy

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# Define Marketing

Marketing: is the entire process by which a market is identified, developed and served.

```
graph TD; A(Define Business Goals & Target Markets) --> B(Define / Refine Internal Marketing Strategy); B --> C(Implement); C --> D(Measure Results); D --> A;
```

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# Strategy

- Strategy works on the target consumer's mind associating the product with benefits of value to the target consumer.
- It is often confused with tactics. Strategy answers the question "Why buy?" Tactics answer the question "Why buy now?"
- A tactic enhances the strategy and uses a limited duration event, offer or incentive to inspire a consumer to act now.

Strategy is long term. Tactics are short term.

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### Essential Building Blocks

Define the marketing objectives by understanding the business and business goals.

- Targeting
- Geography
- Target Audience Media Usage
- Seasonality-Timing
- Benefits Sought
- Competitive Perception
- Positioning
- Measure-Baseline Study

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### Targeting

- Identify the Target
- Audience/Demographic
- Who spends the most or generates the most profit?
- How would you describe this person?
- Who are the heavy users and how can you find more people like that?

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### Define Market Segments

- Almost every brand has multiple consumer segments they wish to target
- Nike-could target every one who has feet
- That is too broad for marketing purposes
- Nike has to identify specific market segments
- Such as professional athletes, weekend walkers, teenagers

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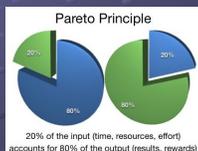
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## Pareto Principle

- 80/20 Rule
- In every company a minority of their customers represent a majority of their revenue
- 20-25% of your customers account for 70-80% of your total revenue



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## Targeting

- Demographics (Qualitative): Age, Gender, HHI, Education
- Psychographics (Quantitative): Attitudes, Values, Preferences, Behaviors, Lifestyles
- Generation Segments: Baby Boomers, Generation Jones, Generation X, Generation Y/Gen Next/Millennials

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## Research

- The answers to these questions come from market research which could be as simple as asking the client, going online and googling, asking a dozen shoppers or as complex as a thousand telephone interviews
- Scarborough, MRI, NRS Media, Quantcast, Citydata, U.S. Census

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### Charlotte Motor Speedway ex.

**Charlotte NASCAR Fans**

Age	Attended NASCAR (Target %)
18-24	12%
25-34	19%
35-44	25%
45-54	23%
55-64	13%

Gender	Attended Nascar
Male	63%
Female	37%

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### Not All Market's Are Created Equal

- Demographics within target markets may vary
- Therefore if this data is available in all of your markets, make sure they are consistent
- Or make different target audiences for each market

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How to select the marketing geography and identify target markets

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## Target Markets

- Market Potential Analysis
- Determine Which Markets/Regions will generate the most profit at the lowest cost
- Use Traditional Media CPP (SQAD) against sales in each market to determine whether a traditional media spend is cost effective
- Determine Growth Market Potential

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## Market Selection

Top Markets by Ticket Sales

NC and SC = 74% of total tickets sold

Market	% of NC and SC Sales
Charlotte	67%
Greensboro/Winston-Salem	13%
Raleigh/Durham	6%
Greenville/Spartanburg/Asheville	5%
Wilmington	2%
Columbia	2%
Greenville/New Bern	1%
Florence/Myrtle	1%

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## Market Potential

DMA	EN CPP	Index	Tickets	Index	Market Index
Charlotte	\$197	191	15,686	582	33
GWS	\$76	74	2,703	100	73
GSA	\$103	100	3,246	120	83
Wilmington	\$39	38	868	32	117
Raleigh	\$164	159	3,384	126	127
Greenville N-B	\$40	39	548	20	191
Columbia	\$73	90	1,002	37	242
Charleston	\$82	101	499	19	547
Florence Myrtle	\$88	109	513	19	571

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## Distributing Budget

- Primary, Secondary, Tertiary Markets
- Budget Distributed Accordingly
- Determining the Budget
- Client provides, or agency recommendation
- 10-20% of potential profit/sales

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## Target Audience Media Usage

### Charlotte NASCAR Fans Media Usage A 25-54

Time Spent Daily with each Medium

Medium	Percentage
TV	49%
Radio	24%
Newspaper	5%
Online	22%

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## Consumer Purchase Funnel

Stage	Television	Internet	Newspaper	Magazine	Radio	Email	Outdoor	Other	No Media Influence
Awareness	44%	19%	6%	6%	19%	0%	0%	0%	0%
Interest	40%	17%	7%	3%	26%	0%	0%	0%	0%
Consider Purchase	35%	12%	4%	5%	41%	0%	0%	0%	0%
Want to Purchase	34%	11%	4%	3%	45%	0%	0%	0%	0%
Visit Store/Website	30%	11%	4%	3%	49%	0%	0%	0%	0%
Make Purchase	22%	12%	4%	4%	59%	0%	0%	0%	0%

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## Internet & NASCAR Fans

Site	Attended NASCAR Index	NASCAR Super Fan Index	Average Fan Index
Internet	109	83	96
Online Games	118	108	105
Online Gambling	189	111	119
Sports/News info	157	122	114
AOL Sports	177	132	126
CBS Sportline	190	147	134
ESPN.com	164	126	122
FoxSports.com	181	151	127
NASCAR.com	415	483	178

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## Media Usage Resources

- Nielsen, Arbitron, MRI, Radiocator, SRDS, OAAA, TVB, IAB, Quantcast, Mediacycenteronline.com, Adage, Mediaweek, American Advertising Federation

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## Timing/Seasonality

Branding

vs.

Promotions/Events




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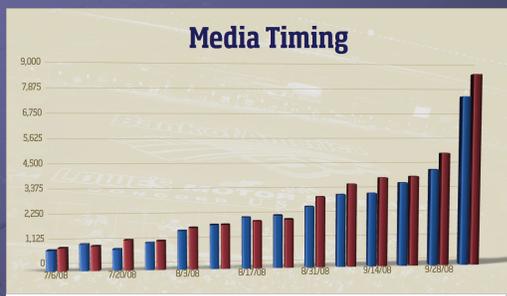
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## Ticket or Sales Analysis



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## Sometimes Budget Effects Timing

- For a brand strategy if a client can not afford to be on annually, determine flight weeks and dark periods
- Look at slower periods of sales
- A spike is easier to inflate than a valley

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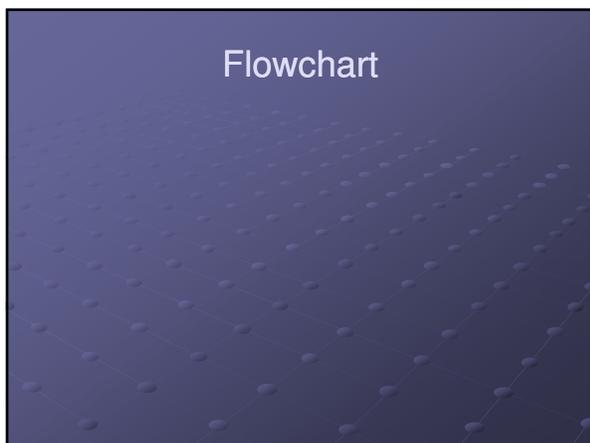
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## Flowchart



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## Messaging Strategy

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## Benefits Sought

- Think of this as a list of motives that encourage a consumer to choose a brand
- Why do they buy this product?
- What do they care most about?
- What factors do they base buying decisions on?
- Low price? Wide Selection? Etc. rank them in order of importance

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## Competitive Perceptions

- List them out
- Find out which ones competitors do what better, and why some choose them first
- Find a place where you can win

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## Positioning

- Is the significant difference with which the brand is associated, by which the brand is remembered and for which the brand is valued
- This should be at the top of the Benefits Sought
- Unique-Something that differentiates them from the competitor
- Credible-consistently delivered by the product
- "Positioning is not what you do to the product, it is what you do to the mind of the target"

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## Examples

-  Safety
-  Low Price
-  Refreshing
-  Speed

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## Q&A

Thank you for your time! I hope you learned something. If you have any questions I am on facebook, or you can email me at:

[daniellegoodrich75@yahoo.com](mailto:daniellegoodrich75@yahoo.com)

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