We built a full Marketing Plan from scratch for a new product: Ford’s Hybrid SUV—the Escape HEV.

**Components of this marketing plan were:**

- **Executive Summary**: Summarizes the whole plan in a brief paragraph; What is the Product? What is the product’s USP? What is the key marketing strategy? What is the objective of the marketing plan? Who are the target customers? Marketing budget? And finally the time to profitability.

- **Industry analysis**: Market size and growth rates; Macroeconomic and environmental factors—government regulations, state of the economy, tariffs, trade barriers, industry structural issues.

- **Competitor Analysis**: Use a judgmental method (matrix) to determine direct and indirect form of competition. Consider same product form, product category and different. Along another dimension either consider the technology or the market. For the Ford plan, we considered technology as the other dimension: hybrid, alternate fuel systems, gasoline. In product form we considered SUV-HEV to be the same product form, SUVs/Crossover vehicles to be the product category and cars to be different. Also identify competitor’s market position, strengths. (Honda and Toyota mainly).

- **SWOT Analysis**: What is the company’s position in the market? What are its strengths? (did this for Ford).

- **Company Analysis**: List out the planning assumptions being made to build the marketing plan. Later one can check back to see if the assumptions have changed once more information is available. If they did, the plan can reflect that change.

- **Marketing Objectives**: Clearly specify what the plan is aiming to achieve. No fuzziness here. The objectives have to specify numerical goals (% market share, revenue targets, profitability targets, costs, unit sales, etc.) and a specific time frame to achieve that in. Example: We will sell 25,500 Ford Escape HEV units by 2005 end (launch in 2003). We will achieve revenue of $0.5B by 2005 end.

- **Marketing Strategy**: The strategy that the plan will pursue to achieve the objectives listed above. Two forms typically: (1) Market Penetration—going after current customers and competitor’s customers in the same product category, say. (2) Market Development—going after new customer segments, developing new customer base. Also could go after customers who are in existing target segments but are not buying your product. For Ford case we decided a Market Penetration strategy. We were going to go after customers of our own Ford Escape and other compact SUV buyers (Toyota Rav4 and Honda CRV buyers). The marketing strategy segment should also include a Product Positioning statement: what is it the product offers, what promise does it deliver to customers that competitors’ product does not?

- **Program Objectives**: these typically influence the ‘softer’ side of the marketing plan—things like brand awareness (aided and unaided recall), brand image, product comprehension, product perception, trial rate, etc. These objectives also require specific numbers and a time frame in which they will be accomplished. The program objectives should support the marketing strategy in general. For example in the Ford case we were going after compact-SUV buyers and environmentalists, the former being current customers. So program objectives were to encourage trial rate among compact-SUV buyers and also promote reliability of the new vehicle, which we knew the customers valued heavily in their car purchase decision. Also the target segment had environmentalists, which meant the car needed a ‘green car image’. That became another program objective.

- **Map Program Objectives and Programs**: Make up a table of the programs being proposed and directly map which programs address which objectives.

- **Program Details**:
  - **Advertising**—target media and consumer segments they will reach. If possible make budget allocations also to the media.
  - **Pro-forma P&L**: how much marketing budget per year? Also project time to profitability.
  - **Monitors and controls**—list the way you would monitor the program effectiveness. How would you measure your brand awareness? You should mention the method of monitoring so that you know whether the program is working or not.
  - **Distribution channels**: Do you plan to use existing channels or should you build new relationships and channels. What new channels do you need to build? Any bottlenecks there?
  - **Promotions**: What promotions will you run to attract consumers and channel distributors to your product? Relate the promotions to each of the program objectives again. They should directly address one or more of the program objectives, otherwise you should question as to what the promotion is achieving for you? In Ford’s case we were going to offer free scheduled maintenance for 2 years so that customers do not worry about reliability; we also planned to sponsor national park service events and give coupons to national parks—green image.
  - **Packaging**: The packaging of the product should again be in line with brand image, perception, quality, reliability objectives for the product / company. Escape would come in earthy colors, have biodegradable mats, retain the same “Escape” name which has good brand awareness among consumers, etc.
  - **Pricing**: The pricing should again be in line with the overall marketing objective. Would the pricing convey a premium quality? Or is it priced to fetch more market share and develop new customer segments?

- **Contingency plans**: Finally list a sketch of some what-if scenarios and Plan Bs. Basically if your programs in the marketing plan do not pan out, what would you do instead. Giving it at lease some thought leaves you prepared for future re-planning.
MARKETING PLAN COMPONENTS

Market Analysis
- Industry anal.
- Competitor anal.
- Company anal.
- Customer anal.
- SWOT anal.

Marketing Strategy
- Planning assumptions
- Marketing Objectives
- Marketing Strategy

Programs
- Program Objectives
- Program Details
- Marketing mix decisions (4Ps)
- Product Positioning
- Promotions
- Packaging
- Pricing
- Advertising
- Budget, P & L, Monitors + Controls

Contingency Plans (Plan B)