

TOOL: The 12 Essential Sections of a New Product Marketing Plan

I'll never forget the combined feeling of excitement and panic the first time my boss asked me to create a Marketing Plan for a new product. While part of me was excited by the fact I had finally 'arrived' as a professional in my field—much like a doctor being asked to treat a first patient—the remainder of me was scared to death, because in reality I had absolutely no idea what a usable, real-world Marketing Plan actually looked like. Sure, I had created a handful of semi-meaningless plans while earning my MBA, but this situation was different. I was being asked to create a comprehensive roadmap that would be used by over a dozen people to release, market, and make money on a brand new product. And unfortunately, I hadn't a clue where to begin.

Attempting to climb out of the hole I had dug for myself, I spent the following evening at the local bookstore, flipping through everything from college textbooks to home-based business manuals. Although I came across a number of ideas for sections to include in my plan, the closest I came to finding the parameters of a 'standard' marketing plan was information in a textbook on something called *The Four Ps of Marketing* . . . the worst over-simplification of the Marketing process ever documented in textbook form. It was after this evening of research and several extended conversations with colleagues that I realized something: **in a smaller company environment, there is no such thing as a standard marketing plan**. And over a decade later, I now understand why: because every small company executive and stakeholder who ever commissioned a marketing plan was worried about something different.

Since the research project I conducted nearly a decade and a half ago I have created hundreds of new product marketing plans, ranging from a single page to well over 50 pages—not counting supporting documentation. Although each is unique in its own right, I have found over the years that the list of 'most commonly included information' in these plans can be narrowed down to a short list of only 12 manageable sections, outlined in the following pages.

The 12 Essential Sections of a New Product Marketing Plan

Below are the 12 sections commonly included by small companies when creating marketing plans for new product rollouts. In most cases no more than seven or eight are used at any given time, but construction of a more comprehensive plan may require the use of all 12.

Note that the number of sections used will vary from plan to plan based on the complexity, the potential revenue, and/or the strategic importance of the product or service being marketed. The 'newness' of the product or service being marketed will also play a role—with re-releases or updates to existing products requiring much less planning than releases of legitimately 'new' products (e.g. a new flavor of soda versus a completely new type of beverage).

Section#1: A High-Level Description of the Product or Service – a one to two paragraph, broad reaching explanation of what the product or service entails. This section is not a complicated one to create, and should include things like what the product or service is designed to do, how it will be delivered, and the market need that will be filled.

Section#2: A Description and Size Estimate of the Target Market – a one to two paragraph description of the audience who will be interested in the product or service. This section should include any relevant audience demographics (age, sex, income, occupation, etc.), as well as an estimation of the potential market size. In this particular section, any supporting data used to back up the market size estimate can be included in an appendix.

Section#3: Competitive Differentiators / Advantages – a bulleted list or description of the various features or functions that are not present in competing offerings, or that will be delivered better than your competitors deliver them. Side Note: If you have trouble creating this section, or if this section includes only one bullet that says "Our product or service will be offered at a lower price," you might as well stop here—your company will be out of business in less than a year.

Section#4: Proposed Marketing Messaging – a breakdown of the advertising and marketing copy that will be used to promote the product or service. Typically this section will include a full product description (think of something you might hand out at a trade show), as well as a list of keywords, catch-phrases and tag lines that could potentially be used in messaging. Marketing people looking to cover all of their bases might also include comparisons to competitors' messaging, and possibly a quick analysis of which keywords and phrases should be trademarked.

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Section#5: Packaging, Pricing and Bundling Strategies – a description of how the product or service will be 'packaged' (literally or figuratively speaking), the suggested List Price with justification, and an overview of any special bundles, packages or promotions that could be created with existing products or services.

Section#6: Marketing Vehicles Used – a list of various marketing methods and channels that could be used to promote and sell the product, including high-level audience information for each. Examples here include direct email, direct mail, pay-per-click advertising, print advertising, podcasting, webinars, speaking events, trade shows, newspaper advertising, organic search, online placements and so on.

Section#7: Required Changes to the Company Website – this section did not make it into my regular rotation until about 2001, and as of today it is still the most overlooked section in any good marketing plan. This section should cover any changes, additions or enhancements that must be made to the company website prior to the product or service being officially released for sale; including special landing pages, new SKUs in an e-store, changes to navigation elements, and so on.

Section#8: Initial Rollout Activities – a detailed breakdown—with dates and costs—of activities used to promote the product or service during the initial rollout period (note that the length of the initial rollout period is subjective, but I typically use 3 months). In terms of execution this section is the real 'meat' of the marketing plan, and should be presented in a table or calendar format, using a spreadsheet tool like MS Excel.

Section#9: Ongoing Marketing Initiatives – a detailed breakdown of activities used to promote the product or service in months 4 thru 12 (after initial release). Similar to the Initial Rollout Activities, all ongoing initiatives should be presented with dates and costs, in an easy-to-follow format.

Section#10: Projected Sales Volume and Margins – a per-month estimate of unit sales, dollar sales, and margins for the first 12 months of the product or services' existence. For the purposes of this tool, the term 'margin' will be defined as the sale price of the product or service, minus the direct cost per unit of the product or service." The term 'direct cost per unit' will in turn be defined as any costs that can be directly allocated to each individual unit sale.

Section#11: Required Year 1 Marketing Budget – a total cost of the initiatives as outlined in Sections 8 and 9 above, matched against the revenues and margins in Section 10. Consider this section a sanity check as to whether or not you will be making enough money to support your marketing efforts. Note that it is not uncommon for the net result of this number to be negative, and very few new products or services are wildly profitable in the first year. The key here is to know what you're in for, and set expectations for profitability (or lack thereof) in advance.

Section#12: Product Development Assumptions – a list of product development-related assumptions that must be met in order to execute the plan on time. I typically include this section in my marketing plan if the product or service is not yet complete; i.e. the marketing department is creating the plan in advance of having something tangible to sell. This section often protects the marketing staff if the product or service does not hit the Year 1 sales goals because of an issue out of its control; e.g. the product development staff not completing the product on time.

With all of the above in mind, please note that I do not claim the format outlined above will work in EVERY small company or for EVERY conceivable product or service. If you believe any sections were missed, or if you have suggestions for improving or expanding the list as a whole, please feel free to email me directly at eric@thesmallcompanyblog.com. I would love to hear from you.

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