



Five Marketing-Plan Pitfalls to Avoid

by Tim Calkins

Marketing plans are essential documents for virtually any business; it is hard to do great marketing without a clear plan. Unfortunately, many marketing plans simply don't work very well; they add little value and end up on a shelf, collecting dust.

This problem spans industries and countries.

Over the past five years I've talked with senior executives from around the world about marketing plans and reviewed dozens of plans. My learning: Most marketing plans contribute very little. As one marketing executive I spoke with observed, "Five percent of marketing plans are good. Most of them suck wind."

My research highlighted five common pitfalls to avoid when creating a marketing plan. Marketing leaders need to be aware of these pitfalls and steer clear.

Pitfall 1: Too Much Data

The biggest problem for many marketing plans is that there is too much data; the marketing plan is so full of facts, figures, and findings that the document gets hopelessly bogged down and the heart of the plan—the recommendations—gets lost.

The role of a marketing plan is to lay out a course of action. A good plan should explain precisely what the business should do to build revenue and profits.

Unfortunately, too many marketing plans focus on the analysis and the data instead of the recommendations. The bulk of the plan is devoted to explaining what the team knows about a business. There is usually a SWOT analysis, a competitive assessment, a review of key market research findings and perhaps a pricing study. This section goes on, and on, and on.

The problem is that there is basically an infinite amount of data available today on any business. A Google search on McDonalds provides 27.9 million results. A search on Sony delivers 830 million results. Too many marketing plans focus on the data instead of the recommended plan of action. This is a huge miss.

Most marketing plans go off the tracks in the situation analysis. This section of the marketing plan can easily go on for dozens or even hundreds of pages. It usually adds little value and most marketing plans are better off without it.

I recently read one marketing plan that was 259 pages long, single-spaced. It was for one product, in one market, for one year. I am confident that I am the first person who read the entire thing.

Pitfall 2: No Clear Strategic Initiatives

A good marketing plan should be focused on presenting the objectives, the strategic initiatives needed to achieve the objectives, and the tactics associated with each of the initiatives.

In far too many marketing plans, however, the strategic initiatives are not clear. The plan either gets so bogged down in the data that the recommendations never emerge or, perhaps more frequently, the plan jumps from the data directly to the tactics. The plan presents details such as coupon values and dates before explaining why promotions are needed and how the promotion efforts fits into the big picture.

Clear strategic initiatives are essential, because a business can focus on doing only three or four things in a year. The challenge in a marketing plan is to identify these initiatives. This is where a plan creates the most value. When formulating a marketing plan, executives should always be asking "Are we focused on the right things? If we do these things, will we achieve our objectives?"

When the strategic initiatives are clear, the tactical decisions become much easier. For example, once everyone agrees that improving customer service is a priority, it is fairly easy to think about ways to address the issue. Similarly, once there is agreement that building penetration among young families is important, it is easy to evaluate different tactics to make it happen.

Pitfall 3: Lack of Rationale

There are two reasons for creating a marketing plan. The first is to clearly lay out the plan to build the business, and the second is to gain support. This second reason is critically important and too often overlooked. The truth is that a plan will succeed only if people believe in it.

Many people have to buy into a marketing plan before it can have an impact. Senior management needs to support the plan; without senior management support nothing will happen. Cross-functional leaders are also critical; it is almost impossible to implement a sales initiative if the sales team doesn't think it will work. A business team also needs to support the plan; people have to believe in what they are working on. Even a great plan is doomed to failure if doesn't have support.

A marketing plan, then, needs to have a rationale. The plan has to be convincing; it has to present what should be done and, more importantly, why the plan will actually work.

Far too many marketing plans lack rationale. There may be recommendations, but there is little rationale backing up the recommendations. The plan presents lots of information, and lots of tactics, but includes very little support.

Pitfall 4: No Cross-Functional Involvement

A good marketing plan cannot be written solely by the marketing team. Indeed, if the marketing team creates and writes the marketing plan on its own, there is probably a serious problem.

Marketing plans should focus on building the business; a good marketing plan has a general management perspective. As a result, the plan needs input from across the organization: the sales team, the operations group, the finance department, the customer service organization. The list goes on.

There are two reasons why it is essential to have a cross-functional team when creating a marketing plan.

First, it will lead to a better, more realistic plan. By including people from across the company in the planning team, potential issues can be identified and quickly addressed. This makes the plan credible. For example, a plan that recommends using an on-pack coupon, when it is impossible to actually apply on-pack coupons, seems simply half-baked.

Second, a cross-functional team will increase the odds that the plan will be approved. It is very hard to attack a plan that you helped create. Including the head of sales on your planning team, for example, will virtually ensure that sales team will support the finished product.

Pitfall 5: No Financials

A good marketing plan needs to be linked to the financials of a business. Indeed, the only reason any company should do any marketing is to drive sales and increase profits. As a result, a marketing plan needs to be clearly grounded in the numbers. For example, a marketing plan should almost always have a financial objective, such as revenue or, even better, profit.

All too many marketing plans never connect to the P&L. The plan might include detailed spending plans, but there is no bridge to the financials. This is a huge miss for the plan.

Ignoring the financials of a business contributes to the image that marketing is an optional activity, something one pursues when there is money available. This is a dangerous line of thought for the company and, especially, for anyone working in marketing.

Creating a great marketing plan isn't all that complicated; a good plan simply presents the objectives for a business, the strategic initiatives, and the tactics. Nonetheless, many marketing plans contribute little. As one executive observed, "So much of marketing is common sense, but it all goes away when you write marketing plans."

Marketers need to watch out for the common plan pitfalls and avoid them.



Tim Calkins (www.timcalkins.com) is Clinical Professor of Marketing at Northwestern University's Kellogg School of Management. He is the author of the new book, [Breakthrough Marketing Plans](#) (Palgrave Macmillan, 2008).

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