

A business plan without a marketing plan is a ship without a sail

BY DON STALLINGS, CPA

As CPAs we love to help create elaborate, well thought-out plans with projected financial statements illustrating how the financial side of a new business will operate. Certainly this is something everyone starting a new business needs to utilize in helping them visualize exactly how their business will work. Bankers love to see these business plans and more and more are requiring them before they will loan money to a new business.

Very few of the business upstarts we see have formal marketing plans separate from the business plan. A business plan without a marketing plan is a ship without sail. Without sales the business plan will not work, and without a marketing plan it is hard, if not impossible, to meet the sales objectives of the business plan. The business plan then becomes just another "what-if" spreadsheet.

One of the more popular how-to marketing manuals outlines the key elements of a marketing plan as follows:

A. Market Situation - This section should contain your description of the current state of the marketplace.

B. Threats and Opportunities - This section should focus on the bad and good implications of the current market.

C. Marketing Objectives - This section should contain both a narrative description of what you intend to accomplish along with numbers to give you something concrete to aim for.

D. Marketing Goals - This section spells out how you are going to meet your marketing objectives.

E. Budgets - This section details budget figures for each planned activity.

F. Controls: Tracking Effectiveness - This section establishes a regular schedule of meeting to measure results and make necessary adjustment to your marketing plan.

G. Executive Summary - This section gives a concise description of what your company plans to do in the coming year along with key financial numbers.

There are many good how-to marketing books and manuals in the market today, so sources of information on how to prepare a marketing plan are readily available.

Before starting up a new business you would be well advised to review several of these books and manuals and consult a professional marketing consultant in order to come up with a viable marketing plan. A great ship without a sail is going nowhere, but a great ship with a good sail will take you where you want to go. **DBJ**

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