

Strategic Planning a Must for Every Business by Blair Entenmann, President, MarketingHelp!

Strategic planning is an important management function. Planning is not something you should look at as having to endure once a year. It's an important tool that can help you compete in your marketplace, improve your profitability and provide a framework to make fact-based decisions. There are dozens of strategic planning models in use today. Each one has its own unique strengths and weaknesses. It is critical to the long-term viability and success of your business that you find a strategic planning model that fits your company's culture and level of expertise.

You can follow a number of simple truths to enhance whatever process you use.

Know the Customer and Consumer: Do you know who your ideal customer is? Who buys what, when, how and why? Is the purchaser different than the user? Translate the "what's" (behavior) into "why's" (attitudes). Keep current information about your customer's and consumer's buying behavior in a database. Invest in market research.

Know Your Competition: You can't create a successful plan in a vacuum. Your competitive environment will help determine the best way to compete in your chosen distribution channel. What are your key direct competitor's current objectives, strategies, strengths, and weaknesses? Sometimes you have to rewrite industry rules to be successful.

Know How Your Business Development System Works: What's working and what isn't? Do you have the right balance between prospect generation and sales conversion activities? Are you attracting enough prospects to your business? Are you converting them into good customers? Is your customer fulfillment system producing satisfied customers?

Maintain Focus and Discipline: You can't be all things to all customers and consumers. Pick the target audiences, product categories, and geographic markets you wish to compete in. Know the things that you do very well and keep doing them. Follow your business development system religiously.

Be Realistic and Recognize Your Limitations: Enthusiasm for your product and company is important. But don't assume everything you do is superior to your competition and perfectly aligned with what your customers want and need. Don't mislead yourself ... set aggressive but achievable goals.

Use All the Resources of the Company: There's an abundance of experience and ideas within your company and its key external partners such as advertising agencies or key vendors. Outstanding cost savings have been identified by dock workers and viable new products have come from janitors. Consider using consultants to energize the process. Get everybody involved!

Don't be Afraid to Lead: Yes, you want a consensus of the best minds in your organization. But people want to follow someone who knows where he or she is going. Focus on the big picture in order to set a course, communicate it, and maintain it. Invite dissent – they won't give you their best if they are afraid to speak up. Encourage risk taking – failure shouldn't jeopardize their entire career. And finally, trust your team – you can't expect them to go all out for you, if they think you don't believe in them.

If you are just starting to plan, in the middle of your annual strategic planning process, or starting to update your current year's plan, keep these seven simple truths in mind. They can help you enhance the planning process, the quality of the final plan, and improve your chances of success. Good Luck!

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