



Growing Forward 2

Next Generation Catalogue

Growing Competitiveness

Guide to Professional Consulting Services

20003 - Direct Marketing Plan

Direct marketing planning analyzes all aspects of marketing products and plans the best way to profitably market products – locally, nationally and/or globally.

This guide will help you understand what to explore when completing a direct marketing plan for your business and the types of eligible expenses available in the Growing Competitiveness program.

This is a general guide only. You will need to consider all the specific needs of your business as you develop your direct marketing plan.

Eligible Costs:

- development and preparation of a written direct marketing plan
- preparation of pre-feasibility and/or feasibility studies
- initial development of electronic solutions for marketing (ex: web development)
- preparation of legal agreements and contracts for a direct marketing plan

Ineligible Costs:

- ongoing or annual costs for a written direct marketing plan (ex: market report subscriptions, brokerage fees, commissions, annual commodity risk management plans, web hosting fees, membership fees)
- hospitality, travel and accommodation costs
- all other costs noted in the program's [Terms and Conditions](#)



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Direct Marketing Plan - Examples

These are general topics that may be included in your marketing planning.

1. Analyze the industry and market

Identify and describe the market characteristics, trends, issues and success factors for the industry.

- How will you deal with these in the marketplace?
- Who or what is your competition?
- What key alliances must you establish to make this work?
- What will be your competitive advantage over your competition?

2. Access the market

Ensure your product/service is ready to market.

- Have you researched pricing in the marketplace and have you set a competitive price point?
- Does your product/service have any special considerations for licensing or permit requirements?
- Who is your target market, can you describe the competition and do you know the best way to distribute your product/service?
- Do you have an advertising and promotion strategy that will support your sales and profit objectives?

3. Analyze your finances

Do your financial projections and analysis using different possible market variables.

- What are your annual sale targets for the first three years?
- How many customers will you need to hit your sales targets? Is this realistic?
- What will be the annual cost of producing and delivering the product /service?
- What other expenses may come up?
- How vulnerable are your profits if there are changes in your costs or if you have to change your price?
- What are your sales or market share objectives?
- How does this translate into revenue, costs and returns?
- What are your financial projections for the year?
- What will be the annual cost of producing and delivering your product/service?
- What are your gross and/or contribution margins?
- How sensitive is profitability to changes in price and costs?
- What kind of limits do your personal tolerance to risk and debt put on the business?

4. Manage risk

Identify and analyze the main areas of agricultural risk to be considered.

- What are the costs to set up, maintain and exit the preferred business structure options and/or arrangements?
- Have you researched alternative markets for your product?



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- Do you have specific strategies for different market and/or economic conditions?
- Do you know how much risk you can tolerate?
- How will you get the prices you need to meet your obligations and/or targets in all market conditions?
- How does your selling strategy relate to your cash flow needs?
- How will market conditions influence your cash flow?
- How will you ensure the consistent quality of your product/service?

5. Write an action plan

- Do you have a plan to identify and explain the targets, timetables and key responsibilities for implementing the plan?
- Who is responsible for monitoring your plan, timing reports and creating a follow up process?

6. Evaluate your plan

- Do you have an evaluation plan?
- Do any areas need improvement? Why didn't something work?
- Did the tools or strategies work the way you thought they would or should?
- Did the cost of developing and implementing the plan benefit your business?
- How will you know that your customers are satisfied with your product/service? Are they willing to buy more or recommend it to others?

Adapted with permission from the Government of Saskatchewan Ministry of Agriculture: *Guide to Completing Minimum Deliverables for a Direct Marketing Plan.*