

How To Develop A Marketing Plan To Grow Market Share

Marketing can be described as the intellectual background to the sales effort. Without a solid marketing plan, the product of research, thought and creativity, the sales effort is doomed to failure. When growing market share in a competitive market the additional requirements of sensitivity to the market and aggressive competitiveness are also required. Great marketers have strong personalities and from the above you can see why this is so. Often the term "marketing" is confused with advertising, but this is just one facet of a complex diversity of research and promotion to the customer. It is the effectiveness of this multi-faceted plan that will determine the success of the marketing drive. The greatest marketer will have the greatest market share and will become the market leader. Marketing is about positioning companies, services and products; it is about creating long-term relationships in the community and the market segments where the company's products and services are directed. The Golden 20/80 Rule In marketing, as in life, the Golden 20/80 rule applies. Statistics have shown that 80% of sales come from just 20% of the client base. Expanding market share is therefore a combination of eliciting more sales from the top 20% of your customers and expanding your total customer base so that 20% of them is a larger percentage of prospects. Research and understanding the market segment is the answer here. The marketer needs to go back to basics and ask who the existing clients are, what their needs are, why they use the company's services or products, when they use them, who the company's prospective customers are, how the company's products and services can better serve existing and new customers, and so on. Check Out The Competition It can be fairly stated that no matter what business a company is in, someone somewhere with a similar business is competing with the company for its customers. It is their market share of the competition that the marketer is planning to reduce so he had better know the enemy. Don't be deceived; customers are fickle. If they feel they are getting a better deal elsewhere they will move. That applies to the competition too. The customers can be bought over, but then the marketer has to know what the firm is up against. Develop market niches It might mean changing existing services and products or it may mean introducing entirely new ones, but seasoned marketers know they must develop new niches – new groups of customers who are looking for something entirely new. Even users of existing products and services may change their preferences, creating a new market niche. The serious marketer never takes customer loyalty for granted. He looks for ways to bring together changing demand and new products and services. Developing new niches is an excellent way for marketers to increase market share and deplete the customer base of the competition.

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