

**FIRST+**

Financial Institution Resilience & **ST**rengthening

**Developing an MSME focused sales and marketing plan  
to improve performance**

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# Webinar Objectives

*'Without a plan, you plan to fail.'*

This webinar will help you develop **practical, structured** and **detailed** sales and marketing plans to meet your individual sales goals and support the organization in achieving its **overall business objectives**.



# Webinar Objectives

- Identify your **target market**
- The importance of **market research**
- How to undertake a good **SWOT** analysis
- Developing your marketing **objectives**
- Developing **sales** and **marketing strategies** to ensure you meet your **marketing objectives**
- Marketing **budget** / **cost benefit analysis**



# Why Plan?



*“To **achieve** goals you’ve never achieved before, you need to **start doing things** you’ve never done before.”*



The most  
dangerous phrase  
in the language is "we've  
always done it this way."

Rear Admiral Grace Hopper

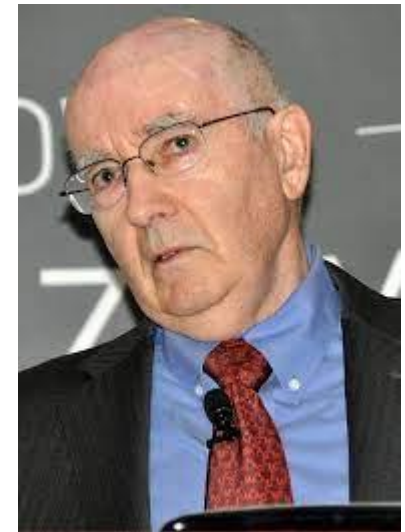
# Philip Kotler

## (Marketing Author and Consultant)

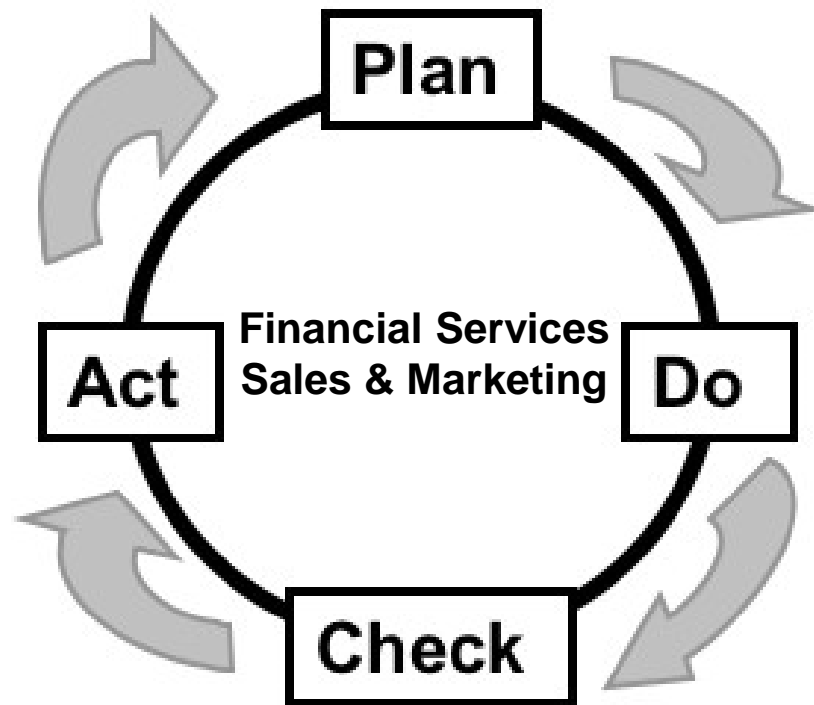
- The mantra of marketing:



- C = create
- C = communicate
- D = deliver
- V = value
- T = target market
- P = at a profit

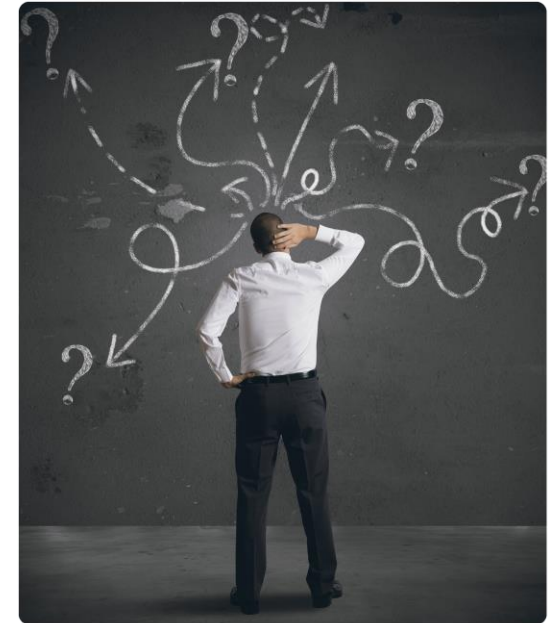


# Sales and Marketing Plan



# Target Market(s)

- **The first thing** to do is to identify your **target market(s)**:
  - **Female** market
  - **Youth** market
  - **Mining** sector
  - **M/SME** market
  - Etc. Etc. Etc.





# Developing a Sales and Marketing Plan

- **Why** have you decided to target this market?
  - Have you a **competitive advantage** over other financial institutions?
  - Have you a **strategic reason** to target the market?
  - Is it a **defensive strategy** because your core customer base is being **targeted** by **competitors**?



# Market Research

- **The 2<sup>nd</sup> key action** is to undertake **market research** (quantitative / qualitative research) into your chosen target market(s), e.g. M/SME market
- How **Critical** is **Market Research**?
  - Without it you have **no foundation** on which to build your **marketing strategy** or **marketing plan**
  - **Market Research** is the process of **learning** as much as possible about your **target market**, your **own performance**, your **competitors** and **customers** – which is essential to successful marketing and driving the business

# Quantitative Market Research

- Quantitative research poses **identical** questions to selected customers
- The customer must answer **Yes** or **No**, e.g.



Question	Yes	No
Did you get good service in this branch today?		
Did our staff explain our products to you?		
Would you recommend us to a family member or friend		

- No **customer comments** are required in this type of research
- In this type of research - clearly defined questions results in **charts / tables** and allows for **statistical analysis**

# Qualitative Market Research

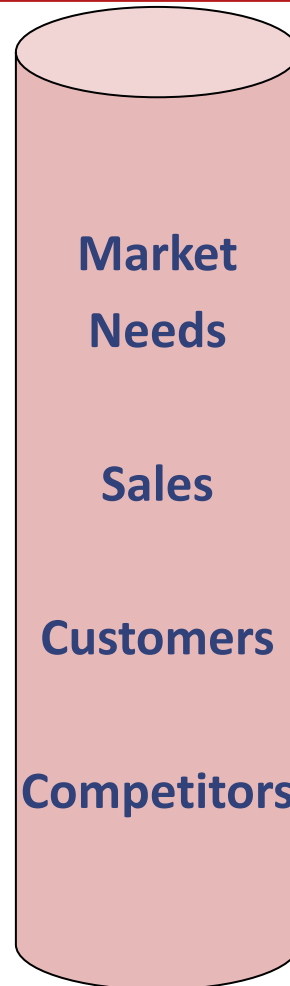
- **Individual** or in **Group Interviews**, ask customers how they **FEEL** about a product or service
- Customers are asked to give their views, e.g.
  - Why do you **like** banking with us?
  - What do you **think** of the service we offer in this branch?
  - What could **we do** to make you give us all of your banking business?
- In this type of research - **open questions** are used – do not influence the answers
- Often it is advisable to use an **external facilitator** to undertake this type of research



# Market Research

## EXTERNAL

- Industry and business sector development, niche markets
- Competitor Sales Cultures, Distribution Channels etc.
- Competitor product benefits, characteristics, price etc.
- Competitor activities, mass market appeal and differentiation



## INTERNAL

- Market share and future direction / segmentation
- Current Sales Strategy, Culture and Targets
- Product Portfolio – new products 'fitting' with existing
- Understanding customer needs and wants

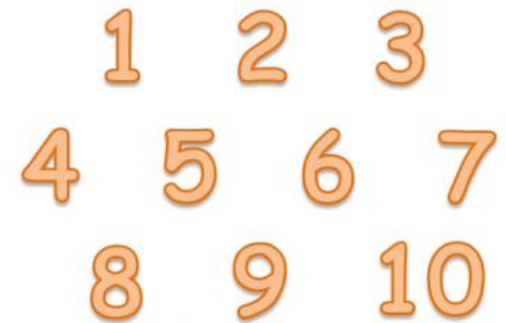
# Market Research

- Obtain data from **wherever** it is available e.g.:
  - **Government** agencies
  - **Local Chambers of Commerce**
  - **Local market intelligence / publications**
- For Example: external market research (quantitative research) into your chosen target market(s), e.g. M/SME market:
  - **How many**
  - **How much** – determine their **economic value**
  - Put **numbers** on your **assumptions** (always **detail** your assumptions)

# Put Numbers on Your Assumptions

For example – the number of **traders** in the area surrounding your branch:

- Take a **walking tour** around your locality and actually **count** them - let's say 75 in total
- Talk with a number of traders that currently do business with your bank, and ask them to estimate their **average sales** in 1 week – let's say GH¢ 5,000
- The economic value of the traders in your area is estimated to be:
  - $75 \times \text{GH¢ } 5,000 = \text{GH¢ } 375,000$  per week
  - = annual economic value = **GH¢ 19.5m**



# S.W.O.T.

- **The 3<sup>rd</sup> key element** of a Sales and Marketing Plan is to undertake a **SWOT** analysis of your **bank** or **branch**

	POSITIVE	NEGATIVE
INTERNAL	STRENGTHS	WEAKNESSES
EXTERNAL	OPPORTUNITIES	THREATS



# S.W.O.T.

What are the strengths of our organisation?



What are the weaknesses of our organisation?



What opportunities exist in our external environment?



What threats to the organisation exist in our external environment?



# Tips for Effective Swot Analysis



Always be realistic about your **strengths** - **minimise** staff related strengths



Should distinguish between where your financial institution is **today**, and where it could be in the future



Should always be **specific** - avoid gray areas



Identifying **weaknesses** is critical – the **more** the **better** – allows room for improvement

# S.W.O.T. - Example

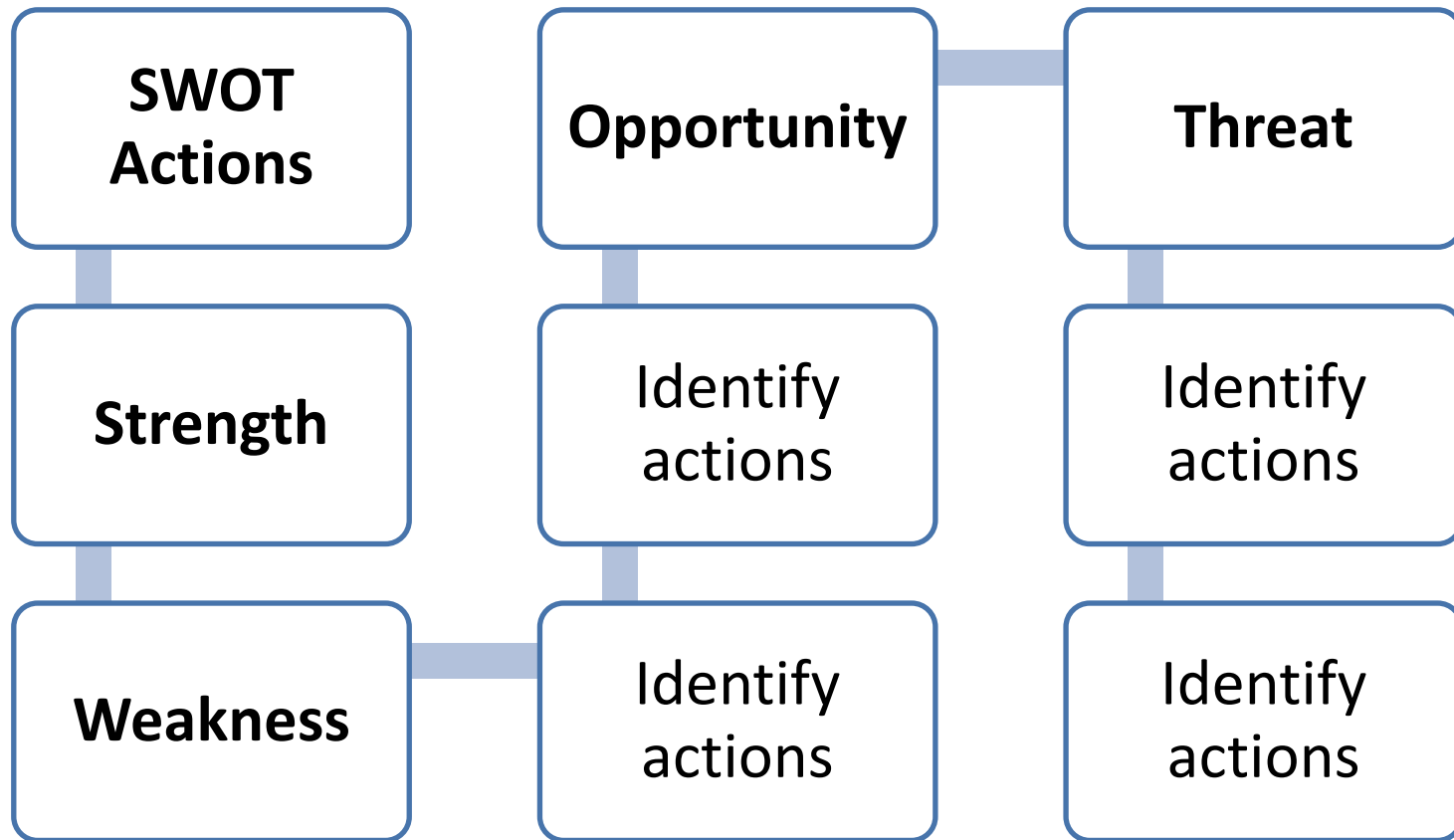
		POSITIVE	NEGATIVE	
INTERNAL	STRENGTHS	<ul style="list-style-type: none"> <li>• Our staff are friendly towards customers</li> <li>• We are located in the heart of the town</li> <li>• The layout of our branch is customer friendly</li> <li>• Our customer satisfaction rating is above 80%</li> </ul>	WEAKNESSES	<ul style="list-style-type: none"> <li>• Staff sales skills need to be improved</li> <li>• Our product knowledge needs to be improved</li> <li>• The attitude of some staff is bad</li> <li>• Our time management needs to be improved</li> <li>• We are slow to embrace change</li> </ul>
	OPPORTUNITIES	<ul style="list-style-type: none"> <li>• There is a new factory opening in our local area</li> <li>• The town is growing and new houses are being built</li> <li>• The mining industry is booming in our locality</li> <li>• There are new schools being built in the town</li> </ul>	THREATS	<ul style="list-style-type: none"> <li>• The Universal Banks are targeting our area</li> <li>• Telecoms companies are entering the money transmission market</li> <li>• Climate change is affecting farmers crops</li> <li>• The economic conditions in our area are deteriorating</li> </ul>
EXTERNAL				

# SWOT – Action Plan

- From your SWOT analysis, **prioritise** your results and identify your:
  - **Biggest** strength
  - **Most critical** weakness
  - **Biggest** opportunity
  - **Greatest** threat



# SWOT – Action Plan



# Develop Marketing Objectives

➤ The 4<sup>th</sup> task is to develop your marketing objectives

➤ With the information and analysis you have gathered what do you want to achieve?

➤ For example, over the next 12 months:

➤ Increase the number of **M/SME customers** by 10% in number = 150 new customers

➤ Grow **female customers** deposit base by 10% in value = GH¢ Xm in new deposits

➤ Increase new account acquisition of **farmers** by 15% = 250 new accounts



# Develop Sales and Marketing Strategies

- The 5<sup>th</sup> task is to develop your sales and marketing strategies
- Identify what you intend to do to achieve your marketing objectives, e.g. increase the number of **M/SME customers** by 10% in number = 150 new customers
- Identify a list of **30 M/SME** prospects each month
  - **Communicate** to prospects by means of email / phone calls /personal contact
  - Target **10 new accounts** each month
- Undertake a **one roadshow** per month to communicate the benefits of doing business with you
  - Target **5 new accounts** per month
- Look for **referrals** from 10 existing customers each month
  - Target to get **2 new accounts** per month

# Develop Sales and Marketing Strategies

- **Identify** what you **intend to do** to achieve your marketing objectives:

Objective	Action	Who is responsible	Start date	Deliverables
1	Identify 30 prospects per month	Terry	1 <sup>st</sup> of each month	10 new accounts per month
2	Undertake 1 roadshow per month	Edmund	2 <sup>nd</sup> week of each month	5 new accounts per month
3	Ask 10 existing customers for referrals per month	Jane	3 <sup>rd</sup> week of each month	2 new accounts per month

- **Monitor, review** and **adjust** your action plan continually as appropriate



# Develop Sales and Marketing Strategies

- Identify and document your **competitive advantage**
- Outline why should people do **business with you** over a competing financial institution
- Create a **compelling sales proposition**
- Identify the **selling skills / sales techniques** to be used, e.g. referrals; cross selling; networking; etc.



# Marketing Budget

- The final task is to develop a **marketing budget**
- Identify the **costs** associated with each action outlined in your list of marketing strategies

Objective	Action	Who is responsible	Deliverables	Cost
1	Identify 30 prospects per month	Terry	10 new accounts per month	Identify cost
2	Undertake 1 roadshow per month	Edmund	5 new accounts per month	Identify cost
3	Ask 10 existing customers for referrals per month	Jane	2 new accounts per month	Identify cost

# Marketing Budget – Costs Benefit Analysis

- A **cost benefit analysis** is used to compare what you expect to pay for each initiative against what benefits or opportunities it will provide
- It's a process to **determine** if the action is **viable** or not from a **cost perspective**
- It does this by placing a **value** in amount (**GH¢**) against every **cost** and **benefit** to the project
- When you subtract the benefits from the cost, you get an idea of **profits**; both financially and in terms of business objectives and goals
- When your **estimated benefits** are **greater** than the **costs**, then it's more than likely you should **proceed** with the initiative

# In Summary

- **Typically** the contents of a Sales and Marketing Plan would include the following:
1. **Executive** summary
  2. **External** market research
  3. **Internal** research
  4. **S.W.O.T.** development and analysis
  5. **Assumptions**
  6. Marketing **objectives**
  7. Sales and marketing **strategies**
  8. Marketing **budget / cost benefit analysis**

# Upcoming Events

27 & 28 Oct, 8:00 – 5:00pm **Regulatory Financial Reporting Workshop (Savings and Loans Companies)**

8 & 9 Nov, 8:00 – 5:00pm **Planning and Budgeting (Microcredit)**

15 Nov, 11:00am **Performance Management / Incentives for Lenders (Webinar)**



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