

9 Key Points of Strategic Planning

Strategic planning is about "how are going to do what we are going to do and why". It is not the same as a business plan. Like all plans, it is based on some assumptions but the key is that it has been based on history, analysis, review and the future. Follow these processes and you will have the makings of a solid strategic plan that will aid your business.

1. Swot

Most of you will be familiar with the swot process for marketing or sales but it can and should be used in other areas of the business.

**Strengths & weaknesses
(internal to the organisation)**

**Opportunities & threats
(external to the organisation)**

2. Vision

How do you want the business to look in 3 or 4 years time ? (150 words max)

3. Mission Statement

What is and will the business really be doing ? What activities will it perform, how, where and when. What will the business offer and how will it be special / competitive ? (150 words max)

4. Corporate Values

Values of the business, standards, relationships with customers, suppliers, employees, the local community & stakeholders (150 words max)



5. Business Objectives

Why are you in business ? Highlight the achievements and general progress to be obtained over the next 3-4 years. (150 words max)

6. Key Strategies

Build on strengths, resolve weaknesses, exploit opportunities and avoid threats.

**Identify "must do" strategies & identify "should do" strategies
(list 6 of each or more if required)**

7. Future Swots

Review your plan so far and add any new or emerging swots which may not have been addressed earlier or ones that have emerged as a result of further discussions.

8. Review of the Plan

Make sure the plan is realistic, specific, practical, consistent and mutually supportive ie all areas tie in together.

9. Create Priority Strategic Actions

Based on the proposed strategies, outline up to 6 major actions in order of importance. For each, indicate what, who, where, how and when ie specify resources, objectives, deadlines, time-scales, budgets and performance targets and use these as a basis for moving the business forward.

FOUR WORDS THAT CAN RUIN A SALE...

The trouble comes when a single word means different things to different people. Four words commonly used in marketing today can have a devastating effect on your sales results. We use these words to describe our offerings and assume the prospective buyer knows exactly what we mean. However, definitions vary widely and the end result of this type of miscommunication is disastrous. These words can lead to disappointed buyers and reversed sales. They cause unmet expectations on the part of the buyer and result in poor referrals. Using any of these four words is a sure way to generate negative references for what you sell.

1. VALUE

All customers want good value, and all customer-oriented companies want to provide a good value. Yet, the seller should never claim to provide good value; that is entirely up to the customers judgement and opinion.

The key word here is "Expect." A transaction either is or isn't a good value based on how well expectations are met. Unfortunately, expectations change almost daily.

The solution is to break a generic value statement into something more specific and meaningful to the targeted buyer. Where does the value come from? As a seller, you can point out where the value might come from so your buyer cannot overlook it. However, it doesn't have to be accepted by the buyer.

2. QUALITY

The second common sale killer is the word "Quality." Many of us have a hard time defining quality, thinking "we'll know it when we see it". Quality means conformance to requirements, and is defined by those characteristics that allow your purchase to do what you expect it to do.

The solution is to describe the quality of your offering in terms of the fundamental characteristics that allow you to deliver

that quality. For a product, characteristics might include the purity of the materials used, the precision with which they're built or assembled, or the functions it can perform. For a service, quality may relate to speed of service delivery, a low error rate, or depth of services available. Note that all of these are measurable and definable. By focusing on the characteristics of quality, quality changes from a nebulous "I'll know it when I see it" into a set of clearly definable and measurable requirements. Always remember that your definition of quality is not the same as the next person's, even though we all think we know what it means.

3. SERVICE

Third, avoid the word "Service." It's simply overused. Too bad, really, because everybody does want good service. It's just that, like quality, everybody has a different definition of what good service is. Some people associate good service with the sound of a human voice. Others actually want resolution of the problem. In fact, there are so many different ways to define good customer service that the subject has spawned an entire industry of consultants and professional speakers to address the topic.

Instead of talking about good service, just shut up and do it. Put some performance standards in place for your own organization, and then deliver to those standards. Let your customers tell your prospects how you deliver service.

When talking to prospects about your offering, you won't have to mention a word about service. Instead, show them the testimonial letters you've collected from your happy customers. Encourage them to talk to your existing customer base. Show them the statistics from your customer satisfaction surveys that talk about responsiveness and service levels. Your prospects will get the message.

4. PRICE

Price doesn't usually come by itself. It's usually accompanied by another word,

"low." As soon as you start talking about price, your prospects will be happy to compare it. **Therefore, avoid making any claims regarding price in your advertising or other initial messages to your prospects.**

You can never consistently win at the low price game anyway. **Price becomes a distraction in your customer's buying process.** They forget about how important their purchase is in solving their problem, and instead become concerned with comparing "apples with apples." They quickly discount all the unique and significant attributes that make your offering a better solution. This concern over price reduces your offering to commodity status.

Of course, sooner or later everyone is going to need to know "How much?" and your offering needs to be priced in a range that is comparable with your competition. Just make sure the solution you're offering is worth much more to the buyer than the price you'll ask for it. If your prospect jumps the gun and asks "How much?" before you've had a chance to help them establish value, explain with pride, "that's the best part. I'll get to that in just a moment." **While you should be proud of your price, leading with it only makes your job more difficult.**

Value, Quality, Service, and Price will get you in trouble because they mean different things to different people at different times. While each concept is important, you must take care to explain and define each of these words if you choose to use them. Before you ever talk about value, learn the buyer's expectations. Before you mention quality, determine the buyer's requirements. Don't talk about service. Let others do it for you. And price? If you're really providing a worthwhile solution, price is the best part. Save it for last.

The Better Business Alliance. 21a Meadow Way, Bracknell
Berkshire. RG42 1UE

Tel: 0845 331 3002 Fax: 0870 762 8697 E-mail: info@tbba.co.uk



More useful information, advice and tips coming up next month