Marketing Plan

Risk Management Resource

Supported by Victoria, National Disability Services, and VMIA.
Context

With funding for disability services moving from block funding arrangements to self-directed funding and support, the delivery of disability services will increasingly be determined by the needs and interests of people with a disability (also referred to as clients). People with a disability and their families will make decisions about the type of support they require and where they can purchase that service. Portability of funding enables clients to change their service provider or service type at their discretion, and payments to service providers accordingly.

The changing operating environment poses new challenges for Community Service Organisations providing disability services. With people with a disability making purchasing decisions, organisations should consider:

- Communication and marketing challenges
- Competition from existing and new service providers
- Service quality from the client’s perspective
- Client relationships and client satisfaction.

A more competitive environment means that marketing is important to maintain and attract clients. An effective Marketing Plan clarifies the organisation’s purpose, its expertise, range of services and the target client group. The Marketing Plan also develops strategies to promote services to a broad or targeted group of prospective clients.

As people with a disability have diverse needs, a community service organisation may choose to direct the Marketing Plan to a particular ‘niche market’ of people with specific service requirements for which the organisation has specialist expertise. Other organisations may target a broader group with more general service requirements.

A Marketing Plan outlines the steps to ensure that services match the needs and expectations of the people who are using or might purchase those services.

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1 Market Segment - a group of people sharing one or more characteristics that cause them to have similar product and/or service needs. Source: [http://en.wikipedia.org/wiki/Market_segment](http://en.wikipedia.org/wiki/Market_segment)
Purpose

Effective marketing helps to retain existing and attract new clients, positioning community service organisations for sustainability and growth. The Marketing Plan aligns with the Strategic Plan (3-5 years) and supports the achievement of its objectives.

The key elements of a Marketing Plan are outlined below. The steps in the ‘Procedure’ section are applicable to most Community Service Organisations and include analysis (understanding the market) and actions (e.g. marketing objectives).

By undertaking the following process, your organisation can develop a Marketing Plan that:

- Outlines an approach to maintaining or increasing service delivery over a period of time
- Identifies your organisation’s purpose
- Identifies the type of services that people with a disability want and why they will choose your organisation.

A range of marketing documentation and the Risk Management and Controls Model will support development of a Marketing Plan. The section in the latter ‘Client and Market Focus’ includes examples of practical marketing actions and strategies for small to large organisations. Examples have been developed for client satisfaction and communications; client service delivery; marketing and reputation; and key stakeholder management. Risks that threaten marketing objectives and controls to address these risks are also addressed.

Considerations

The Marketing Plan tool relates to the following areas of the Risk Management and Controls Framework:
Link to the Strategic Plan

Market research contributes to strategic planning and business planning by providing information about areas including client profile, client satisfaction and the external operating environment. Marketing information links with the strategic and business planning process as indicated in the diagram below.

The Strategic Plan sets broad organisational direction. The Marketing Plan supports the organisation to deliver its strategic objectives by ensuring that services align with the Strategic Plan’s business and service objectives. Marketing plays a key role in strategic planning by connecting the organisation’s business to the current internal and external environment.
The Marketing Plan refers to and includes information from the Strategic Plan\(^2\) including:

- Our Market
- Our Clients
- Our Competitors
- Our Services.

It is important to reference the Quality Framework in the Marketing Plan to ensure that all marketing, communication and/or promotional materials accord with the Quality Framework for Disability Services (2007)

**Quality Framework:**

**Procedure**

The following steps guide the development of a Marketing Plan. Community Service Organisations are encouraged to involve relevant staff in developing the Plan, while assigning responsibility for the overall process and completion of the Plan to one person. Stakeholder perceptions and views are integral to developing the Plan.

**Step 1: Executive Summary**

Describe your organisation (location, services offered and core Values); summarise marketing efforts over the past 12 months and provide a brief overview about how your marketing strategies will change for the next year and the outcomes that you expect.

Briefly describe the way in which the Marketing Plan relates to the Strategic Plan.

\(^2\) CSOs are encouraged to reference the Strategic Planning resource (part of the Risk Management and Controls Model)
Step 2: Our Environment

Describe the environment in which you are operating and the factors that will impact on your organisation’s future service delivery. You could start by addressing the following:

- What is the size of the service market in which you are operating? Is it growing or shrinking?
- Who do you provide most of your services to?
- What are the characteristics of your client group? e.g. gender, disability, service type, aspirations, ability to pay, local demographics.
- What social trends and changing demands could affect your organisation? e.g. word of mouth/reputation, individual funding and planning.
- What impact are technological developments likely to have?
- What alternative/new services are emerging?
- What client groups will we target? (link to Vision and Mission).

Consult your Strategic Plan to build a comprehensive picture of the market, including environmental trends, internal and external environment.

Step 3: Our Clients

Outline who your clients are and define the specific segments of the population you intend to target. These can be described by location, gender, disability, ethnic background, complexity or type of need. The segments you target will depend on services your organisation offers, its strengths and capabilities.

This section should also describe the factors that will attract people with a disability to use your services over those of other organisations.
Step 4: Other Providers

Identify other service providers – those providing the same services to the same client group, as well as those providing similar or complementary services. Consider any new client groups that may be of interest to your organisation now or in the future.

You may include a brief summary of other disability service providers\(^3\) including:

- The services they offer
- How well established they are
- Their Mission and business aspirations
- Their reputation
- Their strengths and weaknesses and what makes them successful
- Their pricing
- Their funding mix.

Other service providers may offer opportunities for partnering, growth and collaboration to the benefit of all parties, and can be useful to consider this as part of the ‘external environment’ in the strategic analysis.

Step 5: Our Services

List the services (including prices) you offer and analyse them from the client’s point of view, including the benefits offered and the features of your services which will be most valued by people with a disability. Client Satisfaction Surveys and other quality-related evaluation inform this analysis.

Community Service Organisations are encouraged to reference the Risk Management and Controls Model as part of Step 3. The section ‘Client & Market Focus’ contains data sources that you may wish to consult.

In conducting research on this area, try to use both primary and secondary sources of information.

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\(^3\) Annual Reports provide a snapshot of other service providers including aspirations, performance, financial management, etc.
Primary data can include but is not limited to:

- Interviews with clients, families, carers and key stakeholders
- Surveys and questionnaires
- Internal research
- Quality audits
- Staff feedback
- Referral points.

Secondary data can include but is not limited to:

- Client files
- Trends in disability services and related sectors
- Library resources
- Australian Bureau of Statistics (ABS)
- State and Federal Government publications
- Industry associations
- Websites.

**Step 6: Our Marketing Objectives**

Outline specific marketing objectives for the next financial year. These should be based on the SWOT analysis (from the Strategic Plan or a similar environmental analysis tool), and will help determine which service/organisational strengths to highlight and promote, as well as areas to improve before promoting them to the public.

Marketing objectives outline the services that will be offered, for whom, key benefits offered, and how the organisation will benefit over a specified time frame. Examples include:

- Maintaining current clients
- Growing the organisation (e.g. 5% each year for the next 5 years)
- Increasing awareness (e.g. aim for a 50% increase in client awareness of services offered over the next 6 months)
- Attracting new clients (e.g. goal of attracting 20 new clients in a 12 month period)
- Developing new services and products
- Building and strengthening relationships with referring bodies.
Step 7: Marketing Action Plan

Your Marketing Action Plan outlines how to achieve your marketing objectives, including the resources requirement over the next 12 months. The Action Plan translates the ideas expressed in the Marketing Plan into actions that are defined, measurable, resourced, and allocated to the relevant personnel.

Once the marketing objectives have been formulated, complete the action plan below, as per the example provided.
## Step 7: Marketing Action Plan – Example

<table>
<thead>
<tr>
<th>Marketing Objective</th>
<th>Service/Product</th>
<th>Price</th>
<th>Form of Promotion</th>
<th>Tool/Action</th>
<th>Cost</th>
<th>Date</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Attracting new clients</td>
<td>Swimming program</td>
<td>$75 per client</td>
<td>Build/ strengthen relationships</td>
<td>Personal visits to community stakeholders providing referrals. Maintain liaison with networks.</td>
<td></td>
<td>July 2010</td>
<td>Client Services Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Advertising</td>
<td>$950</td>
<td>March 2010</td>
<td>Client Services officer</td>
</tr>
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<td></td>
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<td></td>
<td></td>
<td>Brochures x 300. Mail-outs x 250.</td>
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</tr>
</tbody>
</table>
Step 8: Marketing Checklist

When completing your Marketing Plan, consider the following checklist:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>YES</th>
<th>NO</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service/Product</strong></td>
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<tr>
<td>Have client needs been identified?</td>
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<td>Has the service/product costing been checked and verified?</td>
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<tr>
<td>Have key activities been developed to address client needs?</td>
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<td>Is the quality of the service/product monitored?</td>
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<td>Is follow-up of the service conducted?</td>
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<tr>
<td><strong>Price</strong></td>
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<tr>
<td>Does your pricing policy include:</td>
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<tr>
<td>- The added benefit/value for clients</td>
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<tr>
<td>- Payment methods</td>
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<tr>
<td>- Prices which accurately reflect all direct and indirect service delivery/product costs</td>
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<tr>
<td>- Pricing that accords with state government unit pricing</td>
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<tr>
<td><strong>Promotion and Advertising</strong></td>
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<tr>
<td>Is your promotion consistent with the organisation’s Mission?</td>
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<tr>
<td>Have you established one or two key messages on which to focus?</td>
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<tr>
<td>Do you promote your status as a registered disability services provider?</td>
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<tr>
<td>Do you qualify and promote the additional benefits/value for clients using your service? (e.g. transport provided)</td>
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<tr>
<td>Can you identify who refers people to your organisation? (current and potential)</td>
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<tr>
<td><strong>Relationship Building</strong></td>
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<tr>
<td><strong>Note:</strong> The purpose of promoting services is to attract the attention of clients, their families and carers by influencing their behaviour to use your services. Promotional material can be provided to funding bodies and allied service providers likely to provide referrals. Awareness raising opportunities build and strengthen the public profile of an organisation.</td>
<td></td>
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<tr>
<td>Consider which advertising tools are the most appropriate in advertising the organisation’s services? For example:</td>
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<tr>
<td>- Yellow Pages</td>
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<td>- Brochures</td>
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<td>- Mail outs (personally addressed letters)</td>
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<td>- Visits to planning facilitators</td>
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<td>- Stories in local newspapers</td>
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<td>- Networks, including complementary service providers, advocacy groups</td>
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<td>- Newsletters</td>
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<td>What evidence supports the advertising approaches chosen?</td>
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<td>----------------------------------------------------------</td>
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<tr>
<td>Is the message clear?</td>
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<td>Is the message easily understood by the client?</td>
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<td>Does the message demonstrate the benefits for clients?</td>
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<td>Does the message differentiate you from other organisations? (What makes you stand out? How do clients perceive the organisation?)</td>
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<tr>
<td>Does the message convey the image you want to promote? (Does it reflect the organisation’s Mission and Values? What is the image you want to portray to existing and new clients and other stakeholders?)</td>
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<tr>
<td>Is the message consistent with your Client Services Charter and Information Material?</td>
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</tr>
</tbody>
</table>
### Step 9: Monitor and Review Plan

<table>
<thead>
<tr>
<th>Marketing Objective</th>
<th>Desired Outcome</th>
<th>Key Performance Indicator</th>
<th>Review Date</th>
<th>Changes in Market (clients, competitors, environment etc.)</th>
<th>Further Actions</th>
<th>Person Responsible</th>
<th>By When</th>
<th>Budget Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attracting new clients</td>
<td>Attract 20 new clients by 30.06.10</td>
<td>10 new clients by 30.02.10</td>
<td>30.01.10</td>
<td>Increase in competitor pricing of day services as at 30.09.09</td>
<td>Conduct research into competitor price change and adjust service prices accordingly</td>
<td>Marketing Officer</td>
<td>30.03.10</td>
<td>Nil</td>
</tr>
</tbody>
</table>
Acknowledgement

National Disability Services would like to thank project consultant Enhance Solutions (www.enhancesolutions.com.au) and Victorian disability service providers for their participation and generosity throughout the project.

National Disability Services wishes to thank project partners: Karyn Spencer - Manager, Systemic Improvement Unit, the Department of Human Services (DHS); Karen Stewart - Quality and Sector Development, DHS; Deborah Stenning - Client Relationship Manager, the Victorian Managed Insurance Authority (VMIA); Patrick Ow - Risk Management Advisor, VMIA; and Rohan Braddy – CEO, Mambourin Enterprises.

Resources

A wide range of resources and learning opportunities are available to assist community service organisations to undertake effective risk management:

NDS Victoria: www.nds.org.au/vic

VMIA: www.vmia.vic.gov.au


Funding

VMIA and the DHS provided project funding.

Disclaimer

The information provided in this document is intended for general use only. It is not a definitive guide to the law and best practice, does not constitute formal advice, and does not take into consideration the particular circumstances and needs of your organisation.

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Published: January 2010

Review date: January 2011

About National Disability Services

NDS is the national peak body for disability services. Its membership includes more than 650 not-for-profit organisations that collectively operate several thousand services for Australians with a disability.

NDS provides a wide range of advice and information to the disability services sector and governments regarding all significant disability matters.

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