



A&R Engineering Marketing Plan

November 2009

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Company Overview

A&R Engineering was established in Kent 1994 by Alan Cooper and Roy Osborn, The retirement of Roy in 2004 saw Alan welcome his children, Daniel and Claire and his wife Christine to join him as partners to continue to expand the company.

As a Mechanical Engineering Masters Graduate, Claire joined the business to take on the role of Engineering Partner, with the additional responsibility for the development of the Quality Management System and Quality Assurance Practices. Following successful implementation of the system Claire is now focusing more significantly on Business Development.

Today, AR Engineering Industries Ltd, an ISO 9001:2008 accredited organisation, serving a wide scope of industry sectors, providing a range of machining and manufacturing services, including:

- Conventional and CNC milling

- Turning and grinding metals (tool steels, brass, aluminium etc), plastics, rubbers and composite materials

- Prototyping, batch work, and mass and repeat production.

In addition to manufacturing AR Engineering Industries Ltd also carry out maintenance, repair and refurbishment to tooling, fixtures, machine/equipment and other components.

We have implemented the latest CAD CAM software and are able to import DXF, IGES, STP Files and many more, aiding the efficient programming of all types of parts from simple components to complex assemblies.

We have our Quality Management System fully implemented and operational and have been assessed by the UKAS accredited LRQA who are satisfied that we meet the standard required for ISO 9001:2008 Certification.

Current Position

Despite our willingness to adapt to new markets, integrate new technology and the achievement of ISO 9001 status we have found ourselves in a less than ideal financial position. There are several factors that we have identified that have contributed to this fact:

- *Major loss suffered as a result of a customer going into administration.*

In June 2008 our biggest customer went into administration owing us approximately £150,000. Historically this company had always supplied us with around 90% of our work, therefore when they went out of business it left us with a massive shortfall in work. Just before this time we had identified the need to expand our client portfolio in order to protect ourselves from such an event but had not had time to implement any solid strategies by the time the client ceased trading.

- *Overall economic downturn.*

It was unfortunate for us that within a few months of our major client going into administration, the global banking crisis and the economic downturn that followed, occurred. Although we received the majority of our work from one customer, we had managed to build up relationships with several other companies that were able to sustain us in the months up to the banking collapse. However, during the last quarter of 2008 we experienced a sharp decline in enquiries and orders.

- *Traditionally we have never done any marketing before.*

As we had always had the luxury of a constant supply of work from our main customer we had never needed to seek other work. In hindsight, of course, we realize this is naïve and have since realized that we should be looking for work when we are busy, not just when we are quiet. We did not take advantage of the financial security that we enjoyed for a time and therefore did not make funds available for investment into marketing when we had the chance. This meant that when we found ourselves with little or no work we had no strategic plan to try to secure more.

Despite the fact that we are not as financially secure as in the past it is clear that we need to invest in getting new work instead of sitting back and waiting for it to come to us. This is why we have decided to formulate a structured marketing plan. Our attempts in the past, to market ourselves had been sporadic and unregulated. By creating a formal marketing plan we hope to be able to execute the task of generating more business in a more organised approach. In turn we should be able to accurately measure our input into the project and objectively assess its returns.

Business Objectives

- ***Increase turnover by 20% each year over the next 3 years.***
Our turnover has shrunk dramatically in the last 12 months so a 20% increase in the first year from the implementation of this plan should be achievable. By laying down a clear structure to the ongoing development of our marketing strategy we should be able to meet the future targets.
- ***Develop our own product.***
A key part of our growth potential is to develop our own product. In doing this we are able to increase our profitability and afford us the opportunity to employ other companies to undertake work on a subcontract basis from us.

Although this is an important part of where we see our company heading in the next 5 years we do not expect to be able to develop this in the next 2 years. We do not have the funds available at present to embark on the R&D needed in order to produce a product of our own design. Our plan is to use the funds that are generated by this marketing strategy to invest in such a project.

- ***Move from being subcontractor to contractor.***
Currently almost our entire output is as a sub-contractor to another company. We aim to occupy the position of contractor within 2 years. This involves targeting specific organisations and projects and developing our tendering abilities. In particular we would like to obtain work from the MoD.
- ***Acquire our own premises within 5 years.***
We are finding that our current premises are no longer as suitable for the way in which we now operate. Upon achieving ISO:9001 status, it greatly increased the amount of paperwork we need to store and be able to access daily. We are managing to get by with our offices arranged as they are but would greatly benefit from a bespoke office area.

By purchasing our own premises we will be able to adapt it to our own needs much more than we are currently able to do. The way in which we heat the building is currently unsophisticated and expensive. We could reduce our energy costs by starting from scratch in a new space.

Broader Strategy

What do we want to say?

Although we aim to significantly increase the size of our organisation we do not wish to lose the values that we have striven hard to establish, namely that we are a family run business that prides itself on honesty and a high quality of work. We want to appear completely professional and able to compete with companies many times our size while still operating in a way that ensures that A&R is an enjoyable place to work and a reliable company to do business with.

Realistic Targets

While we acknowledge the need for undertaking this project we are also acutely aware of our limitations. As owners of an SME we have to wear many different 'hats' so to speak covering everything from health and safety to sales and marketing, were we in a more stable financial position we would have the funds to employ a third part to carry out this project for us. However, we seek to realise the potential that the size of our organisation offers us not the problems it creates. Upon embarking on this project we are aware that of the skill sets that are covered by the staff at A&R, marketing is not our strongest. We are grateful for the help of MAS and Business Link in developing this plan and are committed to developing our own skills alongside the project itself. We plan on carrying out the tasks herein to the best of our ability and invest as much time and financial resources as we are able to in order to meet our targets. The fact that we are a small company means that we are closely involved in every decision and have a vested interest in a successful outcome of the project.

Overall Areas of Concern

Broadly speaking, there are 5 main areas that we wish to focus on. As mentioned before, the depth and scope of each area is largely dictated by our own skill sets and financial constraints. They are:

1. Clarification of our own sectors
2. Rebranding of the company
3. Re-launch event
4. Continuous/Ongoing marketing strategies
5. Direct Telephone Marketing

Budget

Having not performed this type of exercise before we are unaware of the possible costs that we might incur. Research will be carried out to determine exact costings but at this stage due to our financial position we are unable to allocate a specified amount. The cost of the project will be kept under



constant review and, where it is required, funds made available as and when needed.



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Initial Research

Internal research

We want to try to involve each member of the team at A&R in the initial stages of our project. We intend to invite each person to brainstorm their ideas about where they see the firm:

- Now
- In 12 months
- In 5 years
- In 5 years
- What is your role

It is easy to become blinded to the most obvious things when you are closely involved with a project. By inviting all staff to contribute, not just those directly involved, we hope to maximise the ideas we might have and hopefully come up with some less obvious ones.

SWOT analysis

The SWOT analysis headings provide a good framework for reviewing our current position and what we wish to achieve by embarking on this marketing project.

Clarification of our own target sectors

With the skills and equipment we have at our disposal at A&R we are able to serve practically any sector. In many cases, the end use of a product is not necessarily relevant to us as we always work to the same tight tolerances. This is a blessing as well as a curse as, while we are able to offer many services to many potential clients in all manner of industries we do not want to appear as a 'jack of all trades'. Conversely we do not wish to appear too specialised thereby appearing to exclude ourselves from certain types of work that we are actually capable of.

When we come to develop our new website, we intend to have a page for each of these sectors that we can direct specific companies to depending on what kind of work they can offer.

We propose to specify our target sectors using a number of techniques

1. Historically
 - a. Who have we worked for in the past?
 - b. In which sectors do we have the most expertise?

This is probably the most accessible of these techniques as we already have a good knowledge of the kind of work we have been carrying out.

2. Market analysis

- a. Which parts of the economy have the most potential for growth?
- b. Are we aware of any projects that could offer us any opportunities?

We are aware that it may not be able to undertake as in depth analysis of the market as we would like due to the constraints of our budget and time. We plan to seek advice from Business Link and in particular MAS as they have a very good knowledge of the current trends in the industry.

This is probably the most accessible of these techniques as we already have a good knowledge of the kind of work we have been carrying out.

Identifying Specific Tasks

Contacts Database

Contact Information

A key part of the development of our marketing strategy is the 'contacts database' we plan to build up. This will become the centre of all our future marketing activities. The initial plan is to create a database to contain the details of every business or service we come into contact with. Each contact will be categorised by:

Field: Sector
 Specialism
 Specific Field

Relationship: Category 1
 Category 2
 Category 3

This relates to our direct relationship with the contact i.e. customer, supplier, competitor etc.

Priority: Information
 Standard
 Bronze
 Silver
 Gold
 Platinum
 Diamond

This helps us to assess how useful each company can successfully be.

Furthermore we will include information on location and company size to help to target certain types of company.

The database should be designed as such that it can be used to filter for certain information. E.g. companies in a particular county or town to help us target geographically.

Action Logging

Part of our strategy, which will be mentioned later, is direct telephone marketing. We intend to use the contacts database to supply us with the information to call companies to try to secure work. As such, part of the database will be used for logging these calls.

Each call should be given a unique ID and record any notes about the conversation and what action should be taken e.g.:

- Send email
- Send brochure
- Call back
- No follow up

Each action should have a date of completion.

In order to record the success of the campaign there will also be the following fields:

- Given quote
- Order placed
- Order not placed

This means we can easily see how successful the telephone marketing campaign has been.

Data Reporting

Placing the information in a database has the advantage convenient automated reporting. We see the database as a living document that can be updated once it is being used according to advice from those using it, however at this stage we can envisage the following report could be useful:

- Action required reports - Daily
 - Emails to send/calls to make
- Filtered information reports
 - Companies arranged by location/specialism/sector
- Call log reporting
 - Number of calls per day/week/month
 - Summary reports of each call made
- Results analysis
 - Percentage of calls resulting in quotation/order/no order

Generating these reports will help us track how successful the campaign is and adjust our approach accordingly.

Re-branding the Company

Earlier this year we received our ISO 9001:2008 status. This is a major step for a company of our size and meant that, in several different ways, we thought it was a good time for a change to the way we present ourselves. Not only does it mean that on a practical level we now need to get new stationery and literature produced but also ISO 9001 is a useful marketing tool as it gives us something that a lot of other companies do not have. We therefore have decided to completely rebrand A&R Engineering.

We have decided to outsource the design and production of our printed material. We feel that in order to obtain the high quality, professional look we required it is best if we employ the services of a specialist design firm.

Company Name

After carefully considering the financial benefits of doing so, we have decided to incorporate A&R Engineering Partnership. We are going to take this opportunity to slightly change our name. We have begun the process to make this possible but at this stage, have not yet settled on a new name. A&R or AR will still feature in this name as we feel that there is a high level of recognition from our existing customers and suppliers. We are going to consider ideas that help us convey the impression that not only are we experts in our field, but that we are able to focus on specialised areas.

Corporate Visual Identity

We aim to have continuity across all of our visual materials using our established colour scheme and displaying the same logo. We intend to have the following items produced.

- New Logo
- Stationery – headed paper/compliment slips
- Brochure
- Website
- Tag Line
- Roller Banner

Logo

We have had the same logo since the company was established in 1994. We feel like it is a good time to update it, along with the rest of our printed materials. We want our logo to say something about us; that we are forward thinking and willing to embrace new technology and ways of working, but also that customers can still expect to receive the same reliable, high quality service that they always have. We would like to retain the same main colour



of the logo, green. We have always used this colour when representing our company and feel like there is a strong association between the two. We would like to explore the option of adding an additional colour to help 'lift' the design slightly.

Brochure

We have designed a brochure ourselves in the past and printed it on a regular office printer. We feel that in order to adequately convey the professional look we require we should outsource this task.

We would like the finished article to concisely sum up what we do for potential customers in a way that continues the theme of our website. We have discussed the idea of having icons for each of the industries we seek to serve. The design of these icons will depend on the identification of our target sectors. The same icons could be used on our website.

Website

We have always managed our website in house but due to time constraints and shortcomings in the skills required to build a more powerful, more easily maintainable site we have decided to outsource this task. A problem we identified about all our previous websites was that only one person was able take care of any updates. If they were unavailable or busy on other projects it meant that the information of the site went out of date. Our new site will require some kind of CMS (content management system) to enable anyone to be able to make updates and change pages.

We would like to have a page detailing each of our target sectors. This way we can direct companies to the particular page that concerns the work that they may be able offer us.

Although we would like our site to appear as high as possible in any search engines the objective of our website is not to attract new business directly through it. It would, of course, be a bonus if somebody was to search for us, place and enquiry and we were able to convert that enquiry into an order but this is not our primary concern. We see the new site as a place to which we can refer people to once we have had some contact with them, either in person or via a telephone marketing campaign.

Tag Line

We would like to come up with a sentence or phrase that can sum the company up or say something about what we do. As we aim to conduct our initial research we will, ask for input from everyone and assess the results thereafter.

Roller Banner

When we attend networking events and trade exhibitions we would like to have a clear visual presence. For this reason we plan on acquiring a roller banner. The design and production of this will be outsourced.

Accreditation

Achieving our ISO 9001 status has given us a clear advantage over some of our competitors. This is a useful marketing tool, and should be exploited as such, however we would like to explore further accreditations that we may be able to obtain, thereby further enhancing our advantage and expanding our options of work achievable.

These include:

ISO 14000 – environmental

AS 900 – aerospace

SC21 – defence

It should be noted, however, that these options form part of our longer term growth plan and will not be considered within the next 18 months due to the lack of funds and our desire to focus on our immediate marketing strategies.

Re-launch Event

The culmination of the rebranding part of our plan will be to host a re-launch event to mark the start of our new company, celebrate the work we will have done up until this point and try to generate some press coverage to help raise our profile within the manufacturing and engineering industry along as well as the local community.

We will secure an outside venue in which to host the event, as our own premises are not suitable for such an occasion due to size constraints and health and safety issues.

We hope that it will be a chance for us to meet with current customers and suppliers and build on those existing relationships as well as being an opportunity to invite potential customers in order that we may start a relationship with them and secure new work.

Continuous/Ongoing Marketing Strategies

While we are keen to build towards the re-launch event and ensure this is as successful as possible we acknowledge that if we are to sustain steady growth we need a more long term, ongoing marketing strategy. Again, cost is an important issue but there are many sources of free and low cost publicity and effective activities we can undertake which we are able to sustain without any major financial investment.

Advertising

Due to the financial commitment involved, we will be sure to carefully select any location or publication in which we wish to advertise so we can maximise any returns each instance may bring us. By identifying the sectors that we wish to serve we will have a better idea of which trade publications would be useful to approach.

Online

The attraction of online marketing is that, in many cases, it is either free or can come at a very low cost. The challenge with any online presence is to ensure that information is kept current and updates are made regularly. We aim to have a number of people able to make sure this happens in order to make sure we are able to do this as well as scheduling regular publications of our Blog and newsletter.

Google Adwords/Search Engine Optimisation

While we are aware that investing in these activities is a good way of elevating our position in search engine results, as mentioned before, this is not the immediate purpose of our website. Adwords and optimisation do however feature in part of our longer term goals and will be reviewed at a later date.

Blog

We intend to start a Blog as a place we can publish white papers, 'how-to-guides', editorial pieces about the manufacturing industry and interesting articles about A&R. The aim of the Blog will not be to directly advertise our services but to attract people's attention by commenting on current issues and offering help to those searching the internet for solutions to engineering problems.

By attracting people to our blog it is our hope that we can then drive further traffic to our own website and increase the chance of enquiries.

Twitter/Facebook

Twitter and Facebook are both useful tools in building and maintaining relationships with people and keeping them informed of what we are doing. Like the Blog we do not see these as direct selling tools but as instruments to help drive traffic to our website.

Newsletter

We see the newsletter as a useful tool in maintaining relationships with our customers and suppliers. It will give us an opportunity to offer advice about engineering problems and inform recipients of interesting events at the company.

In the initial stages we will design a template for the newsletter and undertake the task of emailing it ourselves but at a later day we will investigate the possibility of either investing in some software to help us automate this activity for us or outsource it completely.

At this point, due to financial and environmental concerns we are not considering producing a printed news letter however this will be reviewed and assessed at a later date.

We are aware that certain Data Protection criteria must be met when undertaking a project like this and will research this in due course.

Networking Events

For several years now members of A&R Engineering management have attended various different networking events. More often than not these events have been useful for the information we have received (at seminars/lectures) and the services that we have been able to secure (printing/computer maintenance) however they have not always been fruitful in finding us new customers. We plan to review our membership to each of the trade and networking bodies we are part of and assess their priority. In addition to this, we will aim to identify new bodies that may be more relevant to our industry and that may bare more opportunities for more useful relationships.

Promotional Materials

Note Pads

In the past we have seen some success in the branded note pads that we have had produced. This enables us to offer a small gift to prospective clients and remain in their minds as they continue to use the item back at their place of work. We intend to have some made and will do the design work for this in-house then outsource the printing.

Trolley Coin Key Rings and Pens

We would like to produce some key rings that we are able to give away to customers and suppliers. We considered making a regular key ring but decided that this was not useful enough. Therefore we decided upon a key ring that has an 'everlasting pound coin' on it that you can use in the supermarket.

We are also going have pens made with our details on to give to customers/contacts as another way of promoting us.

Relationship Development

We hope the end result of this marketing strategy will be the establishment of long-term relationships with customers, not just sporadic one-off associations. In the past we have done this successfully mainly through our friendly, honest, 'nothing is too much' attitude but we would like to take a more structured approach to the process.

We intend to seek help with larger scale business strategies by approaching MAS, Business Link and independent consultants. In particular we are aware of the complicated procedures involved in securing work from the MoD, however, we are not fully aware of how to execute them. Part of our plan will be to identify specific help that is available to attain this goal.

Direct Telephone Marketing

This is an area of our plan that we have no experience in and keen to further explore. The key to this part of the project is our contacts database. Through the use of this application we will be able to identify specific companies that we wish to contact about work.

Having little experience in this field we plan on taking advice on strategy and the scripting of each call. We are realistic about the kind of results it can harvest but as a low cost form of marketing it allows us to target the companies and sectors we most want to work for.