



How to create a marketing plan for your small business?

Description

Most small businesses market randomly and wonder why it isn't working. A simple marketing plan fixes that, and it doesn't have to take weeks to build.

Learn how to create a practical small business marketing plan, step by step, with the right channels, budget, and goals to actually get results.

Introduction: The "random acts of marketing" problem

Most small business owners are doing some form of marketing. They post on social media when they remember. They run an ad when sales feel slow. They send an email to their list now and then. And then they wonder why nothing seems to be working consistently.

This is what marketing experts call "random acts of marketing," and it's one of the most common reasons small businesses stay stuck. Not because they aren't trying, but because effort without a plan produces inconsistent results at best and wasted budget at worst.

A marketing plan doesn't have to be a long, complicated document. For a small business, it can be a single page with five clear elements: who you're targeting, what you're saying, where you're saying it, how much you're spending, and how you're measuring results. That's it.

This article walks you through each of those five steps, with practical examples and a simple framework you can start using today.

Business facts: What the data shows

- Small businesses with a marketing plan are **6.7 times** more likely to report marketing success than those without one. Specifically, 87% of small businesses with a marketing plan report successful outcomes, compared to just 13% without. (Source: [SimpleTexting, Small Business Marketing Report, 2024](#))
 - **73%** of small businesses aren't sure their current marketing strategy is working, which means nearly three in four are spending time and money on marketing without confidence in the results. (Source: [Constant Contact, via Sixth City Marketing, 2025](#))
 - The U.S. Small Business Administration recommends that businesses with under **\$5 million** in revenue allocate **7% to 8%** of gross revenue to marketing, yet most small businesses spend far below this threshold. (Source: [SBA, via Revenue Memo, 2026](#))
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Why most small business marketing doesn't work

The data above tells a clear story. Most small businesses are marketing without a plan, without confidence in what's working, and without the right budget allocation. The result is predictable: inconsistent results, wasted effort, and growing frustration.

The deeper problem is this: without a plan, every marketing decision becomes reactive. You post because someone reminded you to. You try a new channel because a competitor seems to be using it. You cut the ad budget when cash feels tight, even if the ads were working. None of these decisions is connected to a strategy, so none of them compound over time.

Marketing that works for small businesses isn't about doing more. It's about doing the right things consistently, for the right audience, with a clear message. A simple plan creates that consistency.

What a marketing plan actually is

A marketing plan is a simple, living document that answers five questions:

1. **Who** are you trying to reach? ([ICP](#))
2. **What** message will connect with them? (message and offer)
3. **Where** will you reach them? (channels)
4. **How much** will you spend? (budget)
5. **How** will you measure results? ([KPIs](#))

Each of these five elements builds on the previous one, and together they form a complete picture of how your marketing will work.



Step 1: Define your target customer

The most common marketing mistake small businesses make is trying to reach everyone. As Seth Godin writes in *This Is Marketing*, the goal is to find the smallest viable audience, the specific group of people most likely to benefit from what you offer, and serve them exceptionally well.

Start by answering these questions about your ideal customer:

- What is their biggest problem or frustration that you solve?
- How old are they, where do they live, and what does their day look like?
- What do they read, watch, or listen to?
- What would make them choose you over a competitor?

The more specific your answers, the more effective every other element of your marketing plan becomes. A message written for “everyone” resonates with no one. Use our [Persona Template](#) to map your ideal customer out clearly before moving to the next step.

Step 2: Clarify your message

Once you know who you’re talking to, the next step is to make sure your message actually connects. This is where many small businesses get it wrong. They talk about themselves, their years of experience, their certifications, and their process. But as Donald Miller writes in *Building a StoryBrand*, customers don’t care about your story. They care about their own.

The most effective small business marketing positions the customer as the hero and the business as the guide. Your message should answer one question clearly: how does what you offer make the customer's life better? In marketing, this shift is called the **transformation**: the change your product or service creates in the customer's life, from where they are now to where they want to be.

A simple formula to test your message: can a new visitor to your website or social media profile understand what you do, who it's for, and why it matters in five seconds or less? If not, the message needs to be clearer. As Miller puts it: "If you confuse, you'll lose."

Step 3: Choose your channels (and commit to fewer)

One of the biggest traps for small business owners is trying to be everywhere at once: Facebook, Instagram, TikTok, LinkedIn, email, a podcast, a YouTube channel, and a blog, all at the same time. The result is a low-quality presence on many channels rather than a strong presence on the right ones.

For most small businesses, two or three channels are enough. The right channels depend on where your target customer actually spends their time. A few practical starting points:

- **Email marketing** is consistently the highest-ROI channel for small businesses, returning **\$36 for every \$1 spent** (Source: [Revenue Memo, 2026](#)). If you have a customer list, this is where to start.
- **Social media** works best when you choose one or two platforms based on your audience. Facebook and Instagram work well for local and B2C businesses. LinkedIn is stronger for B2B.
- **SEO and content** take longer to pay off (typically six to twelve months) but deliver compounding returns that no paid channel can match over time.
- **Google Business Profile** is often overlooked but critical for local businesses. 80% of US consumers search online for local businesses weekly.

Choose the channels that fit your audience and your capacity, then commit to them consistently rather than spreading your effort too thin.



Step 4: Set a realistic marketing budget

Most small business owners either spend too little on marketing and expect too much, or they spend without knowing what's working. The SBA recommends allocating 7% to 8% of gross revenue to marketing for businesses under \$5 million in annual revenue.

Here's what that looks like in practice:

Annual Revenue Marketing Budget (7% to 8%)

\$100,000	\$7,000 to \$8,000
\$250,000	\$17,500 to \$20,000
\$500,000	\$35,000 to \$40,000

A practical way to allocate a small marketing budget:

- **50%** on your highest-performing channel (the one driving the most measurable results)
- **30%** on content or SEO to build long-term visibility
- **20%** on testing a new channel or format

The key is to track what each channel costs versus what it returns, and to protect the budget for what's actually working rather than cutting it when cash feels tight.

Step 5: Track and measure results

If you can't measure it, you can't improve it. This is where most small business marketing plans fall apart: activity happens, but no one is checking whether it's working.

You don't need a complex analytics setup. Four numbers are enough to start:

1. **Website traffic** from each channel monthly (Google Analytics, free)
2. **Lead or inquiry volume:** how many new enquiries came in, and from where?
3. **Conversion rate:** of those enquiries, how many became paying customers?
4. **Cost per customer acquired:** total marketing spend divided by new customers that month

Review these four numbers once a month, not once a year. Monthly review lets you catch what's working and cut what isn't before wasted budget accumulates.

A practical example

Maria runs a small bookkeeping service targeting freelancers and solopreneurs. Before building a marketing plan, she was posting on Instagram occasionally, had a basic website, and relied mostly on word of mouth.

After working through the five steps, here's what her plan looked like:

- **Who:** Freelancers, 25 to 40, who feel overwhelmed by their finances and avoid looking at their numbers.
- **Message:** Stop avoiding your numbers. We make bookkeeping simple for freelancers so you can focus on your actual work.
- **Channels:** Email newsletter (monthly tips) and LinkedIn posts (twice a week). Instagram dropped entirely.
- **Budget:** 8% of monthly revenue, split 50% on email tools and content, 30% on LinkedIn ads, 20% on testing Google Ads.
- **Measure:** Monthly review of email open rates, LinkedIn profile visits, and new client enquiries.

Within three months, her inbound enquiries doubled. Not because she did more, but because she did fewer things with a clearer focus.

Random marketing vs. planned marketing

	Random Marketing	Planned Marketing
Audience	Everyone, vaguely defined	Specific, clearly described
Message	Changes based on mood or trend	Consistent, customer-focused
Channels	All of them, inconsistently	Two or three, done well
Budget	Spent reactively	Allocated intentionally
Results	Hard to measure or explain	Tracked monthly, improved regularly

• If you confuse, you'll lose. •

• Donald Miller, *Building a StoryBrand*

Final thoughts

A marketing plan doesn't guarantee overnight results. But it does guarantee that your effort, time, and budget are pointed in the right direction consistently, which is what separates businesses that grow from businesses that stay stuck in random activity.

Start small. Define your audience this week. Clarify your message. Pick two channels. Set a budget. Track four numbers. That's a marketing plan, and it's enough to start seeing real, measurable results.

Your next steps:

- ☐ Write a one-paragraph description of your ideal customer
- ☐ Check your current marketing message: can a new visitor understand it in five seconds?
- ☐ Pick two channels to focus on for the next 90 days and drop the rest
- ☐ Set a monthly marketing budget based on 7% to 8% of your revenue
- ☐ Decide on four numbers to track and review them at the end of each month

Ready to stop guessing? Download our [Marketing Plan Template](#) and build your entire marketing plan in less than an hour. If you're creating a new business from scratch, combine it with our [Business Plan Template](#), so your marketing strategy supports your financial goals from day one. Also, grab our [Persona Template](#) to map out your ideal customer before you write a single word of marketing.

Frequently Asked Questions

What should a marketing plan for a small business include? A practical small business marketing plan covers five key elements: a clearly defined target customer, a simple and consistent message, two or three chosen marketing channels, a realistic budget allocation, and a monthly tracking system for results.

How much should a small business spend on marketing? The U.S. Small Business Administration recommends allocating 7% to 8% of gross revenue to marketing for businesses earning under \$5 million annually. To calculate your starting budget, simply multiply your annual revenue by 7%. A business earning \$100,000 should budget \$7,000 to \$8,000 per year. At \$250,000, that becomes \$17,500 to \$20,000. The right number varies by industry and growth stage, but this formula gives you a solid, data-backed starting point.

What is the most effective marketing channel for small businesses? Email marketing consistently delivers the highest ROI of any channel for small businesses, returning \$36 for every \$1 spent. For local businesses, a well-maintained Google Business Profile also drives significant results at very low cost.

How do I know if my marketing is working? Track four numbers monthly: website traffic by channel, lead or enquiry volume, conversion rate from enquiry to customer, and cost per new customer acquired. If these numbers are improving month over month, your marketing is working. For a deeper look at which metrics matter most, see our guide on [the 20 most impactful marketing KPIs for business](#).

What is the difference between a marketing plan and a marketing strategy? A marketing strategy defines the overall direction: who you're targeting, what position you want to hold in the market, and why customers should choose you. A marketing plan is the tactical execution of that strategy: the specific channels, actions, budget, and timelines that bring it to life.

How often should a small business update its marketing plan? Review your marketing plan quarterly to assess what's working and adjust channel mix or budget as needed. Do a full check annually to realign with any changes in your business goals, target audience, or market conditions.

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Author

moezhassan88