

McNealon Electric



14208 Briarthorn Way
Tampa, FL 33625

Team members:

Jeremy Blum
Sean Conlon
Craig D'agnese
Tammy White
Teresa Hall

Executive Summary

This marketing plan outlines the current general contractor market in the greater Tampa Bay Area and provides strategic plans that will help McNealon Electric reach its growth goals. At present the industry growth for electrical contracting exceeds market growth for overall contracting, both on a national and regional scale. The strongest indicator of local trends is new housing development permitting, which has maintained stability in the regional market. Through targeting existing businesses for maintenance contract programs, facilities adaptation and upgrades and renovation projects, McNealon Electric will be able to diversify and grow its customer base. Strategic action plans focus on reaching key project managers through direct mail, trade shows, networking and creating awareness of the company through branded tools and supplies that are useful within the industry. An initial first year investment of \$15,970.73 will accomplish ten action plans. Implementation of these action plans will generate new business growth and is forecasted to result in gross annual revenues of \$2,225,000.00 and a 1% market share within three years.

Table of Contents

Service Statement.....	3
External Environment Analysis	4
Customer Environment Analysis	8
Internal Environment Analysis.....	11
SWOT Analysis	
Strengths.....	13
Weaknesses	15
Opportunities.....	17
Threats.....	19
Issues Analysis	20
Marketing Goals and Objectives	22
Marketing Strategies	
Target Market Definitions	23
Strategy Statement	24
Marketing Implementation	
Action Plans	25
Marketing Budget.....	35
What We Learned	36

Service Statement

McNealon Electric is an electrical engineering and contracting firm, with 11 employees, in the Tampa Bay Area that was founded in 1978 and incorporated in 2000. It provides electrical and engineering contracting services in west central Florida, recently obtaining a Class A, statewide license. The range of services includes new construction, design and build, upgrades and remodel/renovations for institutions, businesses, industry, utilities and residential developers. Their primary market is general contractors that operate in the state of Florida.

Through the development of a marketing plan, an effective marketing strategy will be developed to expand the business in the greater Tampa Bay Area, improving the local market share of general contractors.

External Environment Analysis

1. National Industry Trends - According to the current Standard and Poors Industry Report for Construction and Industry, “the S&P Construction and Engineering Index climbed 34.3% in 2003, versus a 27.4% advance for the S&P 1500”, indicating industry growth that exceeds the market average. There are several ways to measure the continuing growth in the electric industries. One way is to measure electricity use, which data states that the amount of electricity used in American homes tripled in four decades following 1950. Another way to measure growth is looking at the data, which shows the change in structure of the electrical contracting industry between 1972 and 1999. In 1999, the number of employees in the electrical construction industry reached an all-time high while establishments also continually increase. Like all construction business, electrical contracting firms deal with significant up and down cycles, which fluctuate, with the economy. During the late 1980s and early 1990s, a decline in new construction affected electrical contractors with lower revenues than in prior years. “Moreover, a large percentage of homes built before 1970 had electrical systems that were inadequate for their current and future needs, indicating continuing business potential for electrical contracting firms in that area. Maintenance and building modernization accounted for nearly 25 percent of industry sales by the end of the 1990s.” (*Business & Company Resource Center -- Industry Overview Display Page*)

2. Regional Trends – Hillsborough County Planning Commission Data – New construction is the primary indicator of growth in electrical contracting. Tampa Bay area (Tampa, St. Petersburg, and Clearwater) growth rates in single-family building permits exhibits a greater volatility than at the state or national level. The decline in mortgage rates fueled the single-family market despite a recession in 2000 and 2001 with Hillsborough County outpacing both state and national single family permitting. Multifamily permits have declined over the period of 2000 and 2001 due to recession and weak job markets. Non-residential Permitting has a very volatile history, however, despite high vacancy rates and a national recession, the value of commercial permits rebounded 55.8% for Hillsborough County in 2001.
3. Technological Trends - Most recently the addition of "limited energy systems," such as voice-data lines and fiber optics, has expanded the work of electrical contractors. To stay competitive, many firms sought business in the adaptation of old facilities to meet current and future computer needs, such as installation of systems for new technologies. More and more firms also offered design services to customers.
4. Economic Trends – Low interest rates have created demand for new construction in the past and current market. While this trend will continue for some time, interest rates are expected to rise. This will have a profound affect on housing and construction, which will likely reduce new permit activity. Rising rates historically slowed maintenance and building modernization for commercial buildings. The National Association of Home Builders estimates that, "New housing construction is seen decreasing only slightly from a very high level in 2004 and 2005." The

Electrical Contracting Magazine states, “Nonresidential construction is projected to increase. The gain won’t be as good as we will see in 2005...”

5. Political, Legal, and Regulatory Trends – The National Electrical Code (NEC) was established to provide guidelines to assure hazards are avoided. It is revised and updated every three years to improve safety and meet demands of changing technology. The National Electrical Installation Standards (NEIS) was introduced in 1996 for electrical systems. This consists of voluntary standards for quality in electrical construction. Along with national codes, local and state authorities have codes in which electricians must follow. To perform commercial and industrial work, the electrician must be licensed as journeymen. For new construction, work permits and inspections are required.

6. Cultural/Societal/Demographic Trends – To meet demands of homeownership created by lower interest rates, new construction for homes has been increasing. On a national level, “Total housing starts were up by more than 8% for the year, the single-family component grew by more than 10% and even the beleaguered multifamily sector managed a small increase – supported by strength in the for-sale (condo) component.” In the Bay area, new construction on single-family homes increased 14% and multi-family homes increased 66% from 2002 to 2003. The big increase in multi-family homes due to condos is a factor of the busy lifestyles homeowners have and more households now have 2 working parents. A national trend of people moving back to urban areas has spurred changes in the Bay area. Remolding of older inner city houses and commercial buildings has created demand for electrical construction to update these buildings.

Customer Environment Analysis

1. Who? - McNealon Electric Services, Inc. currently does contract work for 12 general contractors. With a total of 461 general contractors in Hillsborough County, there are a large number of potential new customers. McNealon Electric is located in Tampa, Florida at 14208 Briarthorn Drive. Although this is the physical location of the company office, the services are provided throughout the Tampa Bay area. Being mobile allows them to work for many different general contractors all through the Tampa Bay area at various locations. The project manager for the general contractors is the individual who influences the purchase decision. His decision is based mainly on the bid for the contracted job; however, having good rapport with electric contractors can influence his decision. When the project manager gets bids from several contractors, he can communicate those bids to electric contractors that he wants to get the contract and do the work. Thus, building excellent customer relationships with project managers helps get contracts.
2. How many? - Currently, McNealon Electric serves 12 general contractors performing on several contracts at one time. For the past 3 years (2001-2003), he has completed work at 306 different sites totaling \$1,763,116.05 in revenue from the 12 general contractors with whom McNealon Electric currently works. McNealon Electric has the capacity to serve three times the amount they currently serve. However, in order to do this, they must hire project managers to oversee the work being done at the sites to reduce the workload of the owner/president Jim McNealon. By doing this, Mr.

McNealon will be able to establish more customers producing the workload to fit the capacity they can handle.

3. What? - McNealon Electric provides electrical installation and electrical engineering services to general contractors who perform construction work for many different companies. This is used in part with other contractors (i.e. plumbers, carpenters, etc.) to complete a construction project. The quantity of work varies depending on the job to be completed. No matter how large the contract, general contractors do not use complimentary services. They only accept one bid per contract due to permit regulations. However, general contractors have several construction projects they work on simultaneously where they may use different electrical contractors for each project.
4. Where? - The general contractors purchase electric and engineering services from McNealon Electric through auctions. There is no physical location where this takes place. The general contractor for a job that needs to be completed contacts McNealon Electric. McNealon accesses the work needing to be done and offers a bid to cover cost and generate a profit. McNealon Electric gets its supplies to complete the contract through vendors through which they have already established accounts. No electronic commerce, such as internet, television, etc., affects this business due to the nature in which the electrical contracting business works.
5. When? - The services are purchased when a general contractor needs a job completed and McNealon Electric has the lowest bid on the contract. The frequency varies depending on the number of jobs that require electrical work or engineering.

There are no promotional events or sales in the electrical contracting business because each contractor sets the price and the lowest bid gets the contract. Since McNealon Electric is a small company, time demands could limit when services are available. In order to complete a quality job in a timely manner, McNealon Electric has a limit to the number of contracts they can perform at any given time.

6. Why and How? - All electrical contractors fulfill the same basic needs to the general contractor. The main focus is to meet the federal, state, and local codes and regulations. Above and beyond that, McNealon Electric provides quality and exceptional customer service to set itself apart from other electrical contractors. Payment for services is done through a system called net 30. This means that the general contractor has until the 30th day after the work is completed to pay the full amount. If the full amount is paid prior to the 30th day, a discount is taken from the total amount due.

7. Why Non-customers? - McNealon Electric has 449 non-customers Hillsborough County. The size of McNealon Electric and lack of marketing are the main reasons these general contractors do not contract work out to them. Many of these general contractors do not know about the services McNealon Electric provides. This is because McNealon Electric does not have a marketing plan or project managers to expand its client base. With all 520 electrical contractors in the Tampa Bay area providing the same service and fulfilling the same needs, reputation is what sets them apart from each other. Price is also a factor because McNealon Electric will have to be the lowest bidder in order to obtain a contract from a new general contractor.

Internal Environment Analysis

1. Past Financial Performance - For the past 3 years (2001-2003), McNealon Electric Services, Inc. has earned revenues totaling \$1,763,116.05 on sales at 306 construction sites producing \$262,527.97 in profits. Based on the total revenues by all 520 electrical contractors in the Tampa Bay area, McNealon Electric holds a .3% market share.
2. Marketing Strategies - McNealon Electric currently does not have a marketing plan or strategy. Its primary market consists of the 449 general contractors in Hillsborough County that it does not presently do business with. With only having .3% market share, McNealon Electric is positioned near the bottom of the industry. McNealon's exact position is not able to be determined due to lack of financial information for other electrical contractors. Since it has such a small market share, its image is not wide spread throughout the industry. The image McNealon Electric has with its current customers, however, is exceptional due to the quality and timely manner in which it's Master Electricians complete the contract.
3. Marketing Programs – Existing marketing for McNealon Electric does not consist of formal advertising or promotions. The only marketing McNealon Electric uses is word of mouth and flyers. With electrical contracting, however, word of mouth advertising is a very important avenue to reaching general contractors. McNealon Electric has established itself as an outstanding electrical contracting provider through the general contractors that it currently uses by providing quality craftsmanship in a timely manor with Master Electricians. This needs to be marketed to the 449 non-customers in more ways than

word of mouth and flyers. McNealon Electric does also offer electrical engineering, which most electrical contractors do not. Pricing is a key factor for electrical contracting since contract procurement is based on the low bid system. This needs to be done while also making profit for the company. McNealon Electric has done electrical work for a charitable project in which special thanks was given to the company. This helps get the name and image of the company out while showing great publicity.

4. Organizational Structure - At the moment, there are a total of 11 employees working for McNealon Electric. Jim McNealon is the owner/president of the company and makes all major decisions. Under him, there are 8 licensed journeymen that work out in the field at specific job sites assigned by Jim. In the office, there is a bookkeeper and accountant that handle the paperwork side of the business. At various times, there are also temp hire employees depending on the workload to be completed in a certain timeframe.
5. Resources and Skills - The resources that McNealon Electric has fits its current market demands. However, in order to increase revenue and market share, skillful project managers are needed. This resource will allow for McNealon Electric to obtain more contracts thus increasing revenues and market share. McNealon Electric has excellent credit and long-term stability to get additional financing for expansion. However, they cannot expand too rapidly as they do not have the equity to obtain large amounts of money. Being that McNealon Electric has been in service for 25 years, tremendous skill has been developed with all aspects of the electrical contracting business. Many of its employees have also been with the company for several years and are very experienced in their field. With McNealon Electric being a relatively small company with such vast experience, they are dedicated, efficient, and reliable with the work they perform.

Strengths

- ❖ In a service oriented industry, good rapport and experience with clients is very important. McNealon Electric has been operating for 25 years and has established an image and reputation of providing quality work. This establishes the company as being reputable since many firms do not last long in this industry.
- ❖ Management and technical skills have been developed by employees through the longevity of experience in the electrical industry. Jim McNealon started and managed McNealon Electric since its inception. Through the years, Mr. McNealon has developed great management skills and knowledge of the electrical contracting industry. The journeymen employed by McNealon Electric have been with the company for several years and have built great working relationships with each other, have become very experienced with electrical work and many are Master Electricians.
- ❖ McNealon Electric provides both electrical contracting and engineering. With providing both services, clients don't have to find separate contractors to complete each service. This saves general contractors time and money while receiving great service.
- ❖ Through the use of regular employees and temp workers, McNealon Electric meets the demand of the market in a timely manner. Completing projects on time builds on the reliability of work that McNealon Electric provides to its general contractors.
- ❖ The cost of operation is much less than its bigger competitors. With fewer expenses, McNealon Electric can bid lower on contracts, which allows the company to obtain more projects. The company owned facilities and equipment provide ample resources for completing the projects that McNealon Electric is servicing. Repeat business with supply vendors has provided a relationship, allowing McNealon Electric to receive supplies inexpensively and in a timely manner.

- ❖ McNealon Electric prides itself on the quality of craftsmanship they provide through the use of Master Electricians. The project is completed on time and correct the first time so return visits are not necessary. This streamlines the workflow for the general contractor.
- ❖ Having good credit allows for financial resources to expand the company. McNealon Electric has established excellent credit during the 25 years of service. This will allow McNealon Electric to receive funds for expansion of the company. Expanding the company will raise revenues and increase profits.

Statement of Internal Strengths	Company Performance					X	Importance					=	Strength Index Number
	1 = Minor	2	3	4	5 = Major		1 = Minor	2	3	4	5 = Major		
Experience in electrical industry					x					x			25
Management and technical skills				x					x				16
Provide engineering and electrical work				x				x					12
Completing jobs on time				x					x				16
Cost of operation				x				x					12
Quality of work					x					x			25
Credit of company			x					x					9

Weaknesses

- ❖ The biggest weakness the company has is that in this industry is the method of low-bidder contracting. In some cases, this style of cutthroat bidding and percentage reduction required by the general contractor minimizes or completely eliminates the profit margin.
- ❖ Due to the small size of the company the current financial situation will hinder the efforts to expand the general contractor client base.
- ❖ Jim McNealon currently functions in a management capacity in all aspects of daily operations. The company lacks a project manager who can oversee day-to-day activities.
- ❖ The small number of employees maintained by McNealon Electric severely limits the number of simultaneous jobs the company can undertake at one time.
- ❖ The current size of McNealon Electric is both a cause and an effect of its lack of prominence in the industry. Large general contracting firms are not aware of the company and its reputation.
- ❖ The lack of a marketing plan or growth strategy is a strong factor in why the company has not been able to expand beyond its current existence. There is little understanding on the part of the company on how to segment, target and secure additional market share and the company does not currently have a vision of its capabilities or growth potential.

Statement of Internal Weaknesses	Company Performance					X	Importance					=	Weakness Index Number
	1 = Minor	2	3	4	5 = Major		1 = Minor	2	3	4	5 = Major		
No marketing plan or strategy	x								x				4
Lack of employees	x									x			5
No project manager		x							x				8
Strict financial situation			x							x			15
The lowest bid gets the contract					x					x			25
Small company which is not known		x								x			10

Opportunities

- ❖ In 2003 industry growth exceeded the market average. With construction at an accelerated rate the potential for new business is obvious. This is a strong opportunity because with each new construction there is a possible new client.
- ❖ A large percentage of homes built before 1970 had electrical systems that were inadequate for their current and future needs, indicating continuing business potential for electrical contracting firms in that area. These are all accounts that the company can strive to acquire to increase revenue.
- ❖ Maintenance and building modernization accounted for nearly 25 percent of industry sales by the end of the 1990s. This particular segment of the market offers potential for additional revenue. Offering maintenance and modernization further balances the wide spectrum of services that McNealon can provide and enhances the company image.
- ❖ Another positive and encouraging fact about Electrical Contracting in the Bay area is that total revenues for all electrical contractors was \$236,546,000 representing 14.27% of all Bay Area construction revenues, which exceeds 12.94% of all construction revenues at the state level. This again shows that the bay area is a strong and promising market for McNealon Electric, and that the opportunity is available for the company to expand.
- ❖ Most recently the addition of "limited energy systems," such as voice-data lines and fiber optics, has expanded the work of electrical contractors. This is just another niche in the market where the company can excel, as its employees are fully qualified to provide any of the new or recent technological services.
- ❖ McNealon offers design services. Many customers are forced to shop elsewhere when needing blue prints for wire diagrams. McNealon is capable of meeting all electrical and engineering design needs.

Statement of External Opportunities	Attractiveness					X	Success Probability					=	Opportunity Index Number
	1 = Low	2	3	4	5 = High		1 = Low	2	3	4	5 = High		
Construction and engineering growth exceeds market average			x					x				9	
Low interest rates, new construction			x					x				9	
New technological trends				x					x			16	
Maintenance market				x				x				12	
Inadequate electrical systems				x					x			16	
Blue prints, service design wire plan					x				x			20	

Threats

- ❖ The largest threat to McNealon Electric is outbidding by larger electrical contractors.
- ❖ Due to the changes in the industry such as voice data line and fiber optics, it is crucial for a company to be continuously up to date and educated in these particular areas. To stay competitive, many firms must seek business in the adaptation of old facilities to meet future computer needs.
- ❖ The National Electric Code (NEC) provides guidelines for safety reasons and ensures hazards are avoided. The codes are updated every three years to meet the demand and ever changing technology. The codes are national and must be followed by all electricians.
- ❖ With the interest rates as low as they have been in the market, creating demand for construction, the rates are expected to increase. This will have a great impact on new construction. Historically, rising rates have slowed new construction, maintenance and modernizations for commercial buildings.
- ❖ Tampa Bay area's growth rates in single-family building permits exhibit greater volatility than at a state or national level. Despite the recession, the mortgage rate's decrease in 2000 and 2001, Hillsborough County had a higher volume than state and national levels. With such a high demand for new permits the wait for approval could take longer than usual.
- ❖ With an expected rise in interest rates, and the economy in recession, this will affect the new construction and modernization of commercial, and non-commercial buildings. With a decline in construction there will be lower revenues resulting in less money and fewer jobs.
- ❖ The number of employees in the electrical construction industry reached an all-time high in 1999. With the latest recession, jobs with reputable companies were increasingly hard to find.

Statement of External Threats	Likelihood of Occurrence					X	Seriousness					=	Threat Index Number
	1 = Low	2	3	4	5 = High		1 = Low	2	3	4	5 = High		
Outbid by larger companies					x					x		25	
Changes in structure of the industry				x					x			16	
NEC codes getting stricter					x				x			20	
Interest rates rise				x				x				12	
Difficulty in permitting				x						x		20	
Economy in recession			x						x			12	
Rise in number of electricians		x					x					4	
Decline in new construction			x						x			12	

Issues Analysis

- ❖ There are currently no efforts being made to secure new clients
- ❖ There is a lack of concise direction in planning the company's marketing endeavors.
- ❖ The threat of being outbid is ever present and unavoidable due to the manner in which the industry functions. Other methods will need to be undertaken to expand the company operations while also increasing profitability.
- ❖ The company is in dire need of a project manager that can oversee daily operations and assist in executing the marketing plan.
- ❖ The company will need to invest in promotional activities and merchandise that will help gain exposure with local general contractors.
- ❖ The manner in which the industry functions makes it very tough to stand out or differentiate from competitors.
- ❖ A controlled growth program is essential to the success of the company goals of securing a larger and more stable market share.

Goals

1. Execute the most effective marketing campaign in the local industry market producing measurable results of an increased customer base, increased sales and increased market share.
2. Increase General Contractor awareness of McNealon Electric as a quality contractor that submits winning bids.
3. Utilize technology to reach and manage sales leads.

Objectives

1. Reach \$2,225,000 in annual revenues within three years, at a controlled rate.
2. Reach a 1% market share within three years.
3. Develop, implement and utilize a contact management system with regular sales calls to General Contracting project managers.

Target Market

Existing and potential clients consist of general contractors in the greater Tampa Bay Area, which includes Hillsborough, Pinellas, Pasco and Polk counties. The primary target market would consist of general contractors in Hillsborough County with a timely accounts payable policy. A list can be obtained from Dunn & Bradstreet, for a fee, which provides company name, contact information, annual revenue information and credit rating, which can be used to segment contacts into primary and secondary markets. The 461 General Contractors in Hillsborough County are the primary target market. There are 927 general contractors in the geographical target area that includes Pinellas, Pasco, Polk and Hillsborough Counties, broken down below by SIC classification:

Bay area listed by SIC code, Contacts Influential, c2003

SIC	Type	Quantity
1521	General Contractors for Single-Family Housing Construction	728
1542	General Contractors for Nonresidential Buildings except Industrial / Warehouse	188
1522	General Contractors for Residential Buildings Other Than Single-Family	5
1541	General Contractors for Industrial Buildings and Warehouses	5
1531	Operative Builders	1

Positioning Statement

To all General Contractors in the Greater Tampa Bay Area, who seek quality work that meets strict deadlines. McNealon Electric has 25 years of experience in getting the job done right and on time. You can count on McNealon.

Value Proposition

Get it done right - on time, the first time!

Action Plan # 1

- Objective:** To get the company name out to the general contractors and make the phone number readily accessible.
- Target Market:** The 461 general contractors in Hillsborough County.
- Description of Program:** Branded pens and post-it pads made with McNealon Electric's logo and phone number on them. They will be shrink wrapped together.
- Who:** The administrative assistant will call Bic Graphics to place the order and manage delivery of product.
- Timing:** Pens and post-pads will be ordered immediately. After the order is placed, the pens and post-it pads will be ready in about 7 days. Once the market in the Tampa Bay area has been reached, a reorder will be made in an effort to reach general contractors outside the Tampa Bay area.
- Budget:** The total amount of pens and post-it pads that we will order is 500, at a cost of \$509.00.
- Measurement:** The number of phone calls generated from this effort will gauge Program effectiveness. A list of all contractors that are targeted to receive the promotional items will be tracked. All new contractors will be asked how they learned about the company.

Action Plan # 2

- Objective:** To advertise our company name and phone number.
- Target Market:** Anyone in need of an electrician.
- Description of Program:** Having magnets made with McNealon Electric's name and phone number on them, and placing them on the vehicles that the employees drive while at work will accomplish this.
- Who:** Jim McNealon will call and order these car magnets from Sign Express. They will either accept a logo design, or they can create a sign using standard letters.
- Timing:** Signs will be ordered immediately. Another pair of signs will be ordered for each vehicle as new employees are hired.
- Budget:** The signs are 12 x 24, and are \$50.00 for a pair. A total of 4 pairs of signs would amount to an initial cost of \$200. Signs Unlimited will keep the design on file, making a reorder simple.
- Measurement:** The number of phone calls generated from this effort will gauge Program effectiveness. A list of all contractors that are targeted to receive the promotional items will be tracked. All new contractors will be asked how they learned about the company.

Action Plan # 3

- Objective:** To obtain a list of owners for all buildings over 30 years old and mail them brochures for inspecting and updating the electrical wiring.
- Target Market:** Owners of buildings over 30 years old that are in need of updating electrical wiring throughout the building.
- Description of Program:** McNealon Electric will have brochures made explaining the importance and need for owners to update electrical wiring in their buildings.
- Who:** McNealon can obtain a list of building owners for buildings over 30 years old from the Hillsborough county tax appraiser's office. Brochures will be designed and printed by FuryLabs.
- Timing:** The list can be obtained immediately. The brochures will take 3 days to design and 2 days to print.
- Budget:** The list can be obtained for free through the Hillsborough county tax appraiser's office. The brochures will cost \$300 to design and \$225 for each run of 1000 prints. Mailing the brochures will be \$.37 to each building owner. Cost of Initial mailing is \$895
- Measurement:** The number of phone calls generated from this effort will gauge Program effectiveness. A list of all contractors that are targeted to receive the promotional items will be tracked. All new contractors will be asked how they learned about the company.

Action Plan # 4

- Objective:** To get the company's name out and into the hands of the general contractors and its phone number easily accessible.
- Target Market:** The 461 general contractors in Hillsborough County.
- Description of Program:** Volt-tick Voltage Detectors are made with McNealon Electric's name and phone number on them. Volt-ticks are used by all contractors for finding live or broken electrical wires.
- Who:** McNealon can easily do this be done by calling Greenlee at 1-800-451-2632. Either a basic design can be provided or a custom design can be sent to Greenlee.
- Timing:** McNealon can order the volt-ticks immediately. Once the Hillsborough County market has been reached, more can be reordered for reaching general contractors outside of Hillsborough County.
- Budget:** The total amounts of volt-ticks are as follows:
One time set up fee of \$100.00
Minimum purchase of 150 volt-ticks at \$12.00 per unit
(500 x \$12.00 = \$6000) and .40 per unit for putting business name and phone number of them. (.40 x 500 = \$200.)
Total cost is \$6300.00
- Measurement:** Success will be measured by the amount of phone calls received. Every new General Contractor will be asked how they heard about McNealon.



Action Plan # 5

- Objective:** To meet as many general contractors in the Tampa Bay Area.
- Target Market:** The 461 general contractors in Hillsborough County.
- Description of Program:** Attending local vendors trade shows.
- Who:** McNealon will locate all the area's vendors and register with them. The vendors will then contact McNealon when a trade show is coming up and a decision can be made to participate.
- Timing:** There is no such time put on these events. They happen through different vendors several times a year.
- Budget:** There is no set cost for attending these show. Usually the vendors want outsiders to attend so it is free. The Electrical Council of Florida is one of the smaller trade shows and costs roughly \$200 to have a table in the show. The larger shows held at the Tampa Convention Center and the Orlando Convention Center can cost up to \$1000 to set up a table.
- Measurement:** Success will be measured by tracking leads obtained from the show followed by subsequent revenues.

Action Plan # 6

- Objective:** To provide the end customer easy access to McNealon Electric's phone number for future services on jobs completed.
- Target Market:** The end result home owners of the jobs completed through the 461 general contractors in Hillsborough County.
- Description of Program:** We will do this by having stickers made with McNealon Electric 's name and phone number on them. The stickers will be placed on fuse boxes or near the electrical work that is completed.
- Who:** McNealon will purchase stickers by the bulk from a supply retailer and print them in-house.
- Timing:** Labels can be printed immediately. All employees will carry the labels with them. The labels can easily be bought and reprinted.
- Budget:**
- | | |
|---|----------|
| The total amounts of labels are as follows: | |
| One box of 6000 labels at Sam's Club | \$ 11.26 |
| Ink cartridges for Jim's computer | \$ 70.26 |
| Total cost of labels with 7% sales tax | \$87.23 |
- Measurement:** Success will be measured by the number of calls received from homeowners.



Action Plan #7

- Objective:** To keep a personal relationship with all of the general contractors in the Tampa Bay Area. (Personal Selling)
- Target Market:** The 461 general contractors in Hillsborough County.
- Description of Program:** A representative of McNealon Electric will visit general contractors in Hillsborough County at least once a month, occasionally bringing donuts or lunch.
- Who:** Either Jim McNealon or an employee of the firm will visit local offices of the general contractors in Hillsborough County. This representative will keep a close and personal relationship with the contractors.
- Timing:** Can be implemented immediately.
- Budget:** Initially a small budget of \$500 per month or \$6000 per year can be established for gift / food items. As initiative begins to show results the monthly budget amount can be adjusted.
- Measurement:** Monthly sales calls will be reported and tracked through the main office.



Action Plan # 8

- Objective:** To provide information to other contractors on the job and to advertise McNealon Electric to drive by customers.
- Target Market:** The other general contractors on the same job and to advertise to drive by or visiting contractors at the job site in the Tampa Bay area.
- Description of Program:** We will do this by having signs made with McNealon Electric's name and phone number on them. The signs will be placed at a very visible place at every job site. A designated employee will carry the signs and place them at the job site.
- Who:** McNealon will contact Speedy Signs at www.speedysigns.com. Signs can be created online.
- Timing:** The signs should be created and purchased on line immediately. The signs can be reordered through the web site. The signs are placed at every job site, every time.
- Budget:** The total amounts of signs are as follows:
A 12 x 12 aluminum sign \$ 23.95, 18 x 18 aluminum sign \$ 32.95
Double sided signs are plus 50% more of the original cost.
Order 5 of each single sided signs totaling \$284.50.
- Measurement:** The number of phone calls received as a result of the sign placement will measure Success of the program.



Action Plan # 9

- Objective:** To make the employees of McNealon Electric visible to all other contractors on the job and to help advertise for the company.
- Target Market:** All contractors, on every job site, working with the employees of McNealon Electric.
- Description of Program:** T-shirts and hats will be made for all employees to wear while at work. The office employees will wear polo shirts with McNealon logos on them.
- Who:** McNealon will call Fuzi Graphics at (727) 532-0444 and place an order for these three items.
- Timing:** There is no such time put on this plan. As the company gets larger or as the employees need new shirts, reorders can be placed with Fuzi Graphics.
- Budget:** The cost for a t-shirt is \$13.00, Polo shirts are \$15.00, and the cost for hats is \$5.00. Jim has a total of 8 employees.
8 employees, 5 t-shirts each. 40 t-shirts x \$13.00 = \$520.00
He would need the polo shirts for himself. 5 x \$15.00= \$75.00
Order 20 hats. 20 x 5 = \$100.00
Total budget: \$695.00
- Measurement:** Success is measured by the number of employee field referrals and surveying new customers.



Action Plan # 10

- Objective:** To join a premier trade association for America's independent electrical contractors, Independent Electrical Contractors, Inc. (IEC). The association is the voice of the electrical contracting industry on policies affecting its membership.
- Target Market:** The ever-changing world of the electrical industry.
- Description of Program:** The IEC will help expand the industry by expanding knowledge, will be a voice in the industry, will help build personal relationships, and will be a great investment in the future of Electrical contracting.
- Who:** This can be easily be done by calling Dave Bombaugh at (727) 577-3064. He is the one of the executive directors of the West Coast Chapter. He will send information on joining or there is more information regarding joining the association at www.ieci.org.
- Budget:** The total amount of joining the association is up for discussion. McNealon Electric must request information regarding the association, but it is an important step in becoming a bigger part of the industry.
- Measurement:** Program success will be measured by the amount of information that the IEC provides. The company will be notified of changes in the industry, trade shows and have the ability to advertise through the membership online and in magazines.



Marketing Budget

Rank	Item	Cost
3	Pens and Post it's	509.00
8	Vehicle magnets	200.00
1	Brochures / Direct Mail	895.00
2	Volt-ticks	6300.00
5	Trade Shows	1000.00
6	Panel Stickers	87.23
4	Direct Selling	6000.00
7	Site Signs	284.50
10	Employee Apparel	695.00
9	Join IEC	
Total		\$ 15,970.73

This marketing plan focuses on a balanced, grass roots approach with gorilla marketing tactics. The very basics of which are flooding the target market to create awareness of McNealon Electric as a quality contractor in the greater Tampa Bay area. The goal is for the McNealon name to become vertically entrenched in every contractor in the Bay area from the desks of the project estimators, to the field supervisors, to the end consumer that will call when a remodel is needed. With an initial, first year investment of under \$15,000, McNealon Electric could stand to see overwhelming results that will accomplish it's growth goals. A 10-fold return of \$150,000 in additional company revenue can be easily expected and exceeded within the first year. Followed by further compounding in increased revenue as new clients become permanent clients.

What We Learned

Jeremy Blum:

After doing the marketing plan for McNealon Electric I discovered that it is hard to do a plan for a small business-to-business service, however as a marketing major I need to know how to overcome the difficult obstacles. The information needed was very limited and hard to find. However, after spending the semester on this project I figured out how to work around these challenges and complete and marketing plan.

First, I learned how to prepare a marketing plan for future projects. In addition, I know what is important to include in different sections of the plan. For instance, I learned that the Executive summary is written last and what it consist of is a budget, key issues, and expectation an outcomes we expect. Second, our goals and objectives have to be measurable and be possible to achieve. Finally, and most importantly, we benefited from the communication we had as a group. The contract that we wrote in the beginning of the year was really followed by every member in our group. If you have a group that has conflicts and a communication barrier it could make the whole entire plan crash. Furthermore, as a group not only did we learn how to prepare a marketing plan, but we also learned information about general contractors. It was interesting to learn about the bidding process, the work the contractor's perform, and what kind of tools they use while working. As a group, many of us think we benefited from this project and found it enjoyable.

Sean Conlon:

This was the first big team oriented project I have ever had to do. I have done big projects on my own and small team projects in the past. This project has helped me understand the importance of teamwork and time management. With every team member having different schedules, we had to divvy out assignments and plan times when everyone could meet together. Also, with having teams work on a project, it allows for different perspectives from each individual in the team. This allows for ideas to mold into a great plan of action for the project based on everyone's input.

As a team, we completed a Marketing Plan for McNealon Electric. This has taught me a lot about the electric contracting industry and how Marketing Plans are compiled and used. Learning all about the electric contracting industry will help with my career path in the Real Estate business. I now know how the bidding process goes for contract work, how advertising hasn't been a big part of electrical contractors but may have many benefits unknown to them, and the role of general contractors on big projects using several specialty contractors. I also learned what a Marketing Plan is and how to develop one. Finding the target market is very important to ensure that the money and marketing time spent on the project is used to its maximum ability. Having a budget and estimated return on investment is also important to understand if the action plan is worth implementing. Since our Marketing Plan was for a business-to-business application, I have also gain valuable experience on how to target businesses as new clients.

Craig D'agnese:

Since starting this project I feel I have learned a great deal about the process of putting a marketing plan together. Before this class I honestly had no idea what a Marketing plan consisted of. I have learned the purpose behind a marketing plan and the many different sections that one includes. An important part of a marketing plan is the action plans. This serves as a blue

print for how to achieve the profit growing goals hopefully implemented through the plan. I have also learned that without properly identifying your target market, a marketing plan will always be unsuccessful.

A separate but valuable lesson I have also learned through doing this project was the importance of teamwork. This was a large project with many different sections that need to be accomplished. Without the team effort we would not have been as successful as we were in completing it. I learned that people have different strengths in different areas, and the great thing about teamwork is that if you all work together using everyone's strong points great things can be accomplished.

Teresa Hall:

In previously pursuing an Associates degree in marketing management, I have created several marketing plans both individually and in a group environment. This particular business type was more difficult to acquire needed data for, despite the simplicity of its operations. Although there is a wealth of information available through the campus library resources, the most necessary data was not accessible without a fee. This lack of data and resources early on in the project set the tone for a less than desirable experience in creating this plan.

As a team, the diversity of abilities was a delicate balance to work with. Everyone had a genuine desire to contribute and learn from the experience, however, it took a bit of effort to find a match for each person's strength. Ultimately, I view the team experience as a success that has collectively created a marketing plan that is suitable for implementation in a company that is ready to invest in it's future growth. Key factors that led to a successful project were open lines of communication and a thorough understanding on each members part of what each section of the marketing plan was, exactly what it should consist of and most importantly, why.

Tammy White:

Through my experience in my Marketing Management class I have learned that it takes great patience when you are working with a diverse group of people. I know that when working in larger companies the need to work and depend on groups of people will be a very important part of my job. This project was a good experience for the future. Dealing with meeting hard deadlines and depending on other people to help finish a project will come in handy in my future career.

I feel that I have had better hands on experience with creating a marketing plan in this class. This has been a more extensive project and I now have a better understanding of how this plan can help a company be productive. I've learned how to look for the information that I need to create a plan, how to recognize what part of the company the plan pertains to and how to better organize the information received.

The project that we selected to do for our project was one that most of us had little information about. Through our teamwork, we have all learned more about the industry and have proven to ourselves that no matter what the industry actually is, we can get the information needed and complete the project.

I want to thank you for your patience with our group, and for all the help and advice that you have given me to guide me in the right direction. I feel that this class will help me succeed in many future ventures.