- Objectives must be consistent with the production department’s approach.

**The marketing plan and finance**
- Finance department must allocate sufficient money to each department that is supporting the marketing effort.
- Marketing budget and all other budgets must be agreed with the finance department.

**The marketing plan and human resources management (HRM)**
- HRM and marketing must coordinate their activities.
- Staff in MD must be recruited effectively, and the workforce planning of the business is essential is each department is to have the right numbers of suitably qualified staff with the right skills.
- Customer service training is a specific example of HR activities that will influence the marketing plan and its operation.

**External influences on the marketing plan**

**Market factors**
- MP needs to include details of the marker research required to understand the market in which the business is seeking to target customers.

**Competitor’s actions**
- Flexibility needs to be incorporated into the marketing plan, so that the business can respond to any changes in the marketing strategy adopted by major competitors.

**Technological change**
- Has developed most business’ understanding of their markets, through mechanisms such as loyalty cards and electronic point-of-sale (EPOS). This enables firms to plan more accurately.

**Suppliers**
- Vital that marketing plan takes into consideration the capability of suppliers to provide whatever the business believes can be sold.

**Political factors**
- Relatively long-term changes.
- Businesses involved in international markets in particular, need to be aware of any political developments that might influence their target markets, so the MP can be amended if necessary.

**Social factors**
- Social changes mean that businesses must adapt to new circumstances.

**Legal factors**
- Changes in legislation may be a threat to businesses.
- However, if proposed legal changes are monitored, a business can develop by adapting its marketing strategy ahead of its competitors.

**Environmental factors**
- Most businesses will adapt their marketing plans to show they produce environmentally friendly products in an efficient manner.

**The marketing budget**

**Methods of setting the marketing budget**

**Budgeting according to marketing objectives**
- The more ambitious the objectives, the greater the budget that is allocated.

**Budgeting according to competitors’ spending**
- In order to stay competitive, a business may have to match the spending of its rivals.

**Marketing budget as a percentage of sales revenue**
- Commonly used as it is seen to be fair.
- National average is 2%.