

Strategic Planning and the Marketing Process

The background is a solid black color. On the left side, there is a vertical orange bar that extends from the top to the bottom of the slide. A white rounded rectangle is positioned in the upper left quadrant, containing the title text. A horizontal orange bar with rounded ends is located in the lower right quadrant, overlapping the vertical orange bar.

Strategic Planning Process

- **Strategic Planning** is the process of developing and maintaining a strategic fit between the organization's goals and capabilities and its changing marketing opportunities.
- This process involves:
 - **Defining the Company Mission:**
Statement of an organization's purpose - what it wants to accomplish in the larger environment.
 - **Setting Company Objectives and Goals:**
Supporting objectives for each level of

Mission Statements



Designing the Business Portfolio

- “The best portfolio is the one that best fits the company’s strengths and weaknesses to opportunities in the environment.”
- A **Strategic Business Unit (SBU)** is a unit of the company:
 - that has a separate mission and objectives, and
 - that can be planned independently from other company businesses.
- The company must:
 - analyze its current business portfolio or Strategic Business Units (SBU’s),

Analyzing Current SBU's: Boston Consulting Group Approach



Problems With Matrix Approaches

Can be Difficult, Time-Consuming, & Costly to Implement

Difficult to Define SBU's & Measure Market Share/
Growth

Focus on Current Businesses, But Not future Planning

Can Lead to Unwise Expansion or Diversification

Developing Growth Strategies

Product/ Market Expansion Grid

	Existing Products	New Products
Existing Markets	1. Market Penetration	3. Product Development
New Markets	2. Market Development	4. Diversification

Product/ Market Expansion Grid

- **Market Penetration:** making more sales to current customers without changing products. How? Cut prices, increase advertising, get products into more stores.
- **Market Development:** identifying and developing new markets for its current products. How? Identify new demographic or geographic markets.
- **Product Development:** offering modified or new products to current markets. How? New styles, sizes, colors, or other modified products.

Marketing's Role in Strategic Planning

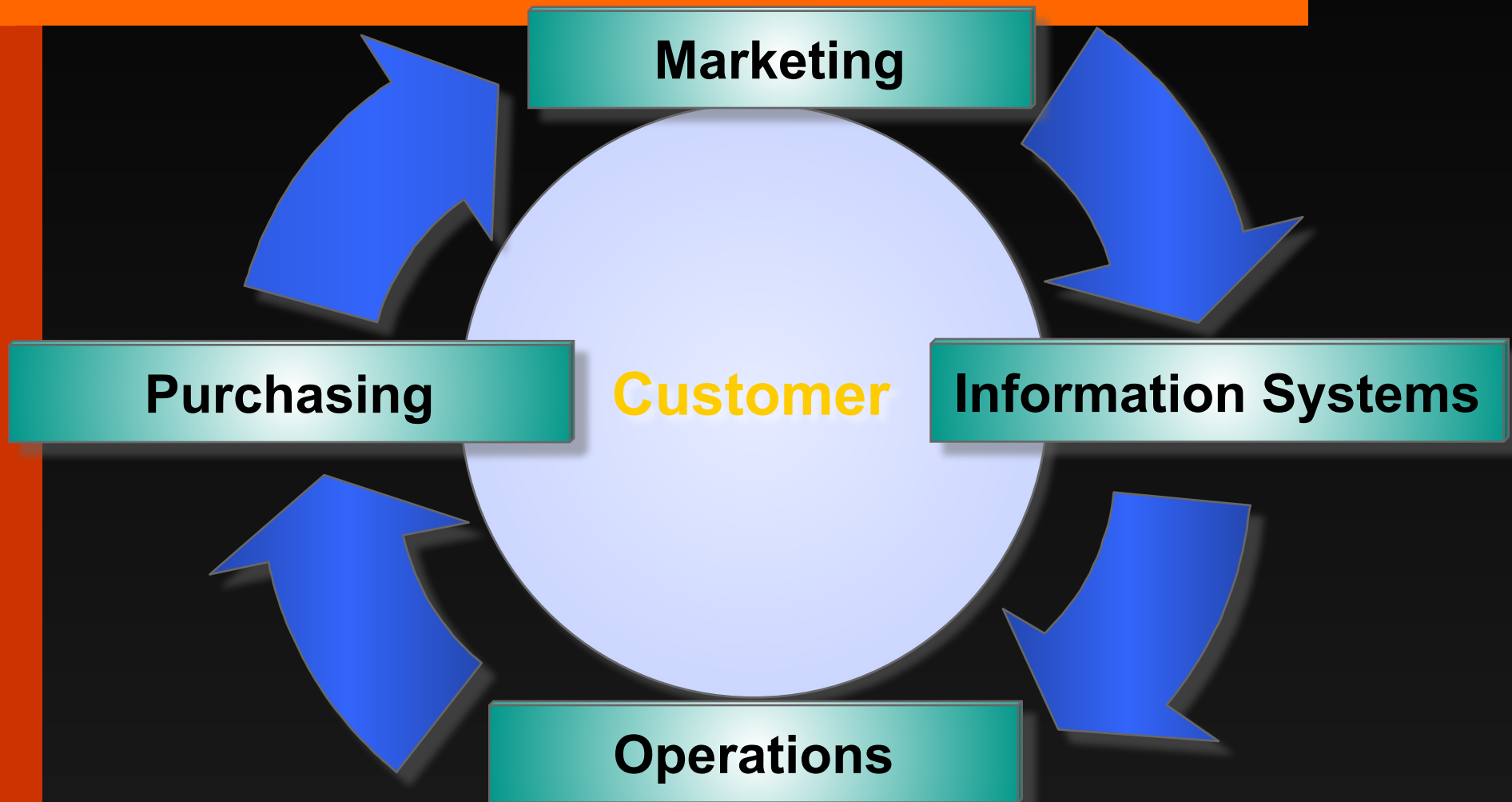
**Provides a
Guiding
Philosophy**

**Provides
Inputs
to
Strategic
Planners**

**Designs
Strategies
for Reaching
Unit's
Objectives**

A Company's Value Chain

Each Department in a Company Carries Out Value-Creating Activities to Design, Produce, Market, Deliver, and Support the Firm's Products.

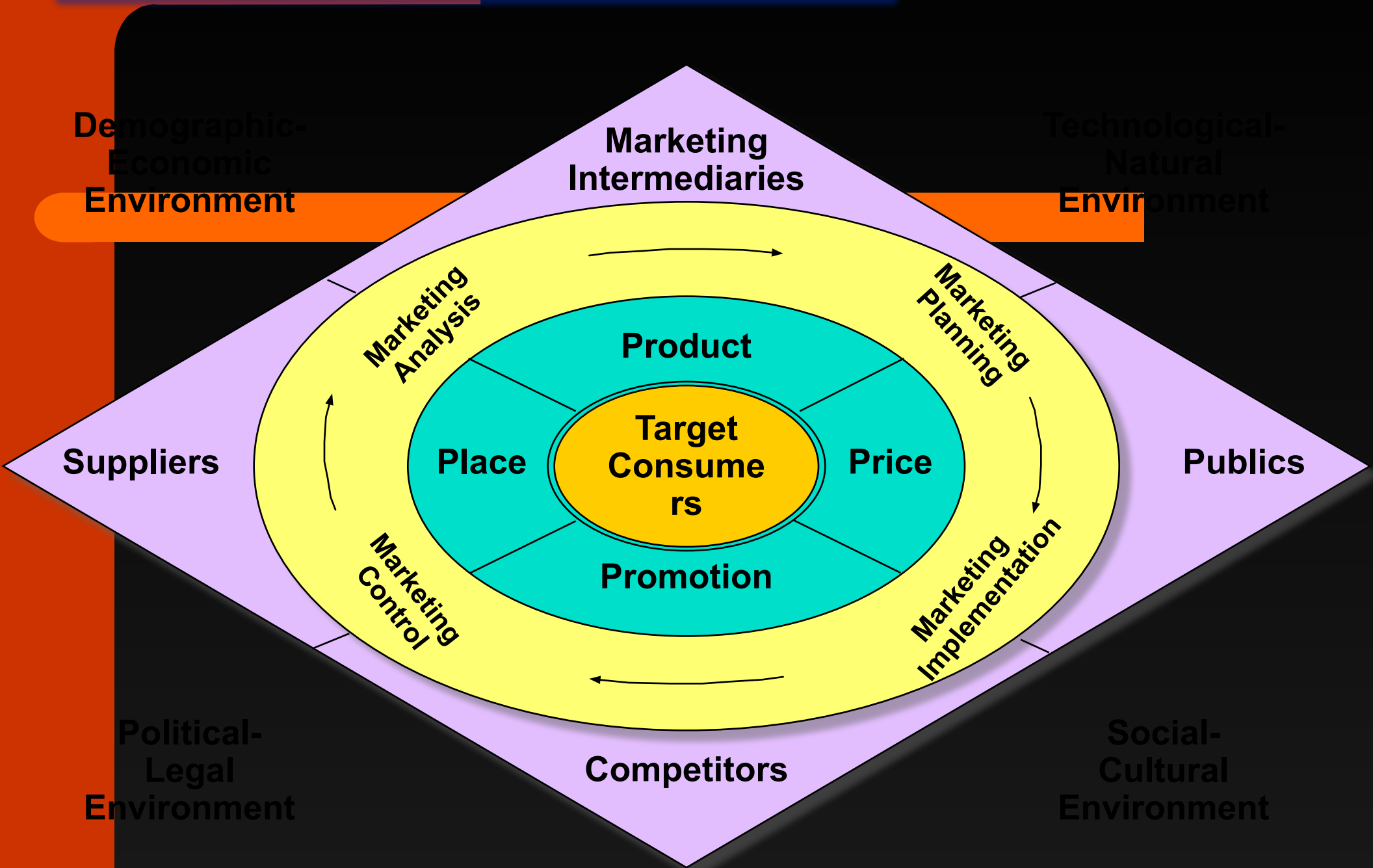




Speed Bump: Linking the Concepts

- **What does Strategic Planning have to do with marketing?**
- **What are Levi Strauss & Co.'s mission and strategy?**
- **What roles do other functional departments play?**
- **How can Levi Strauss's marketers work more effectively with these other functions to maximize overall customer value?**

The Marketing Process



Process of Selecting Target Consumers

- **Market Segmentation:** process of dividing a market into distinct groups of buyers (segments) with different needs, etc. who might require separate products.
- **Market Segment** - consumers who respond in similar way to a given set of marketing efforts.
- **Market Targeting:** evaluating each market segment's attractiveness and

Marketing Mix- The Four P's

Product

Goods-and-service combination a company offers a target market

Price

Amount of money consumers have to pay to obtain the product

Target Customers

Intended Positioning

Activities that persuade target customers to buy the product

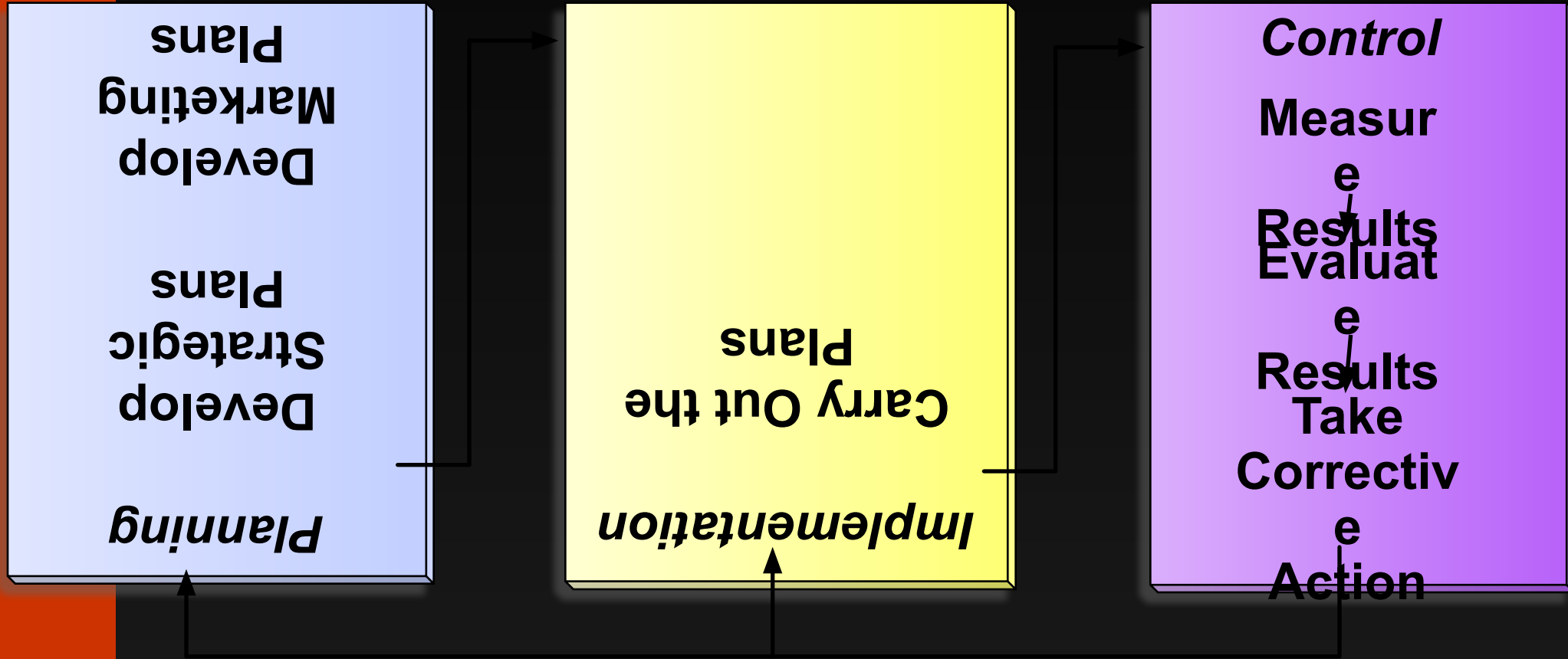
Promotion

Company activities that make the product available to target customers

Place

Four Marketing Management Functions

Marketing Analysis of Company's Situation



Contents of a Marketing Plan

Executive Summary

Current Marketing Situation

Threats and Opportunities

Objectives and Issues

Marketing Strategy

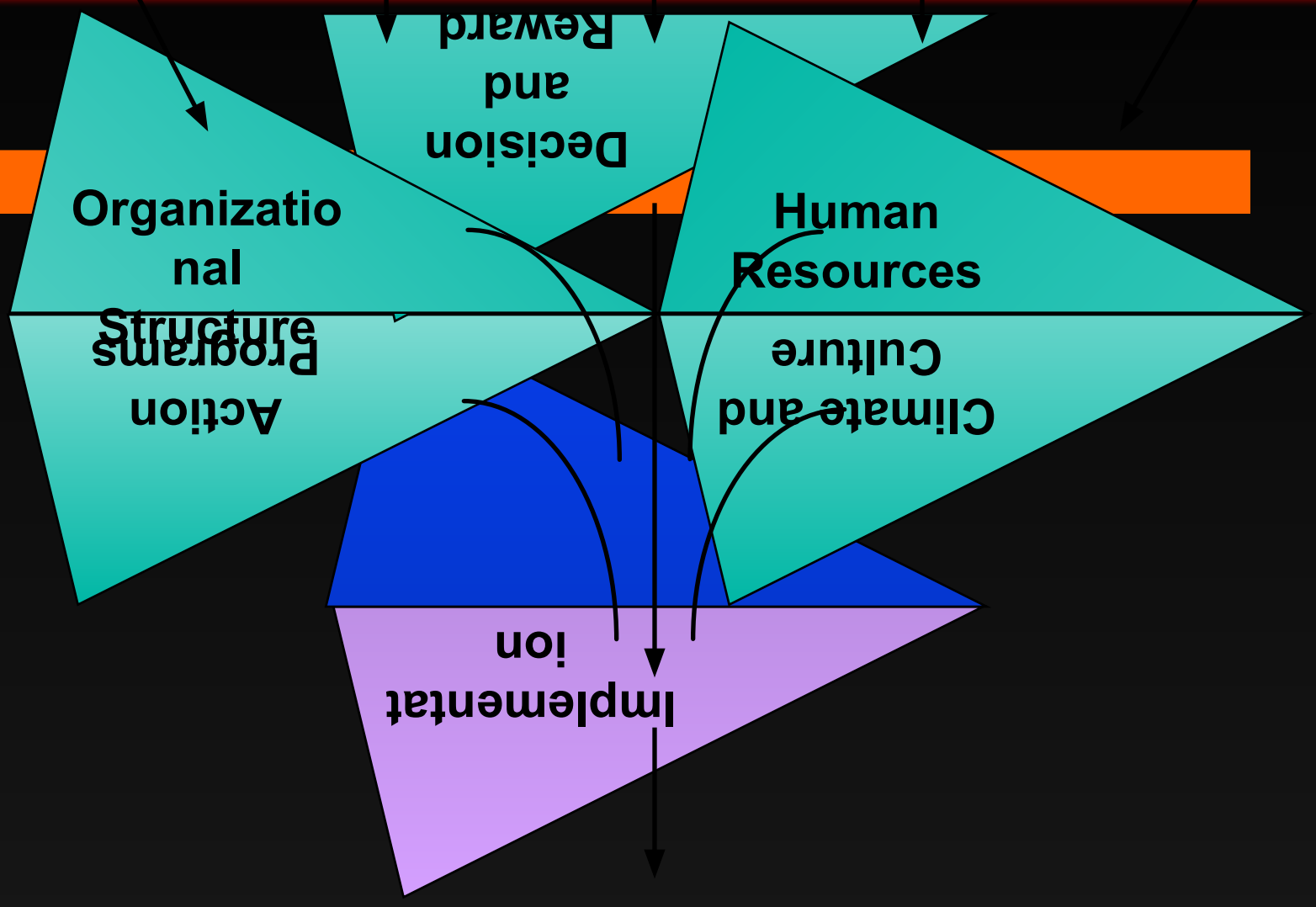
Action Programs

Budgets

Controls

Marketing Implementation

Marketing Strategy



Marketing Performance

Marketing Department Organization



Marketing Control

Set Marketing Goals



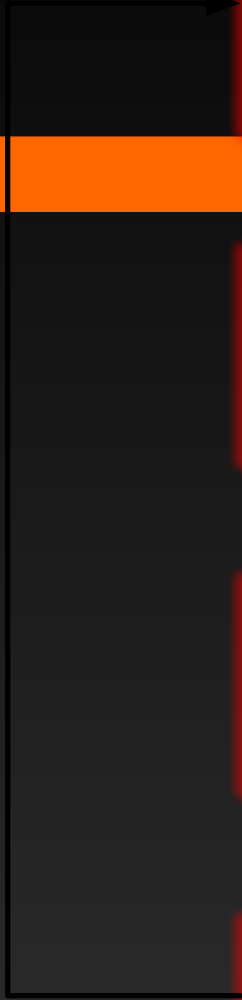
Measure Performance



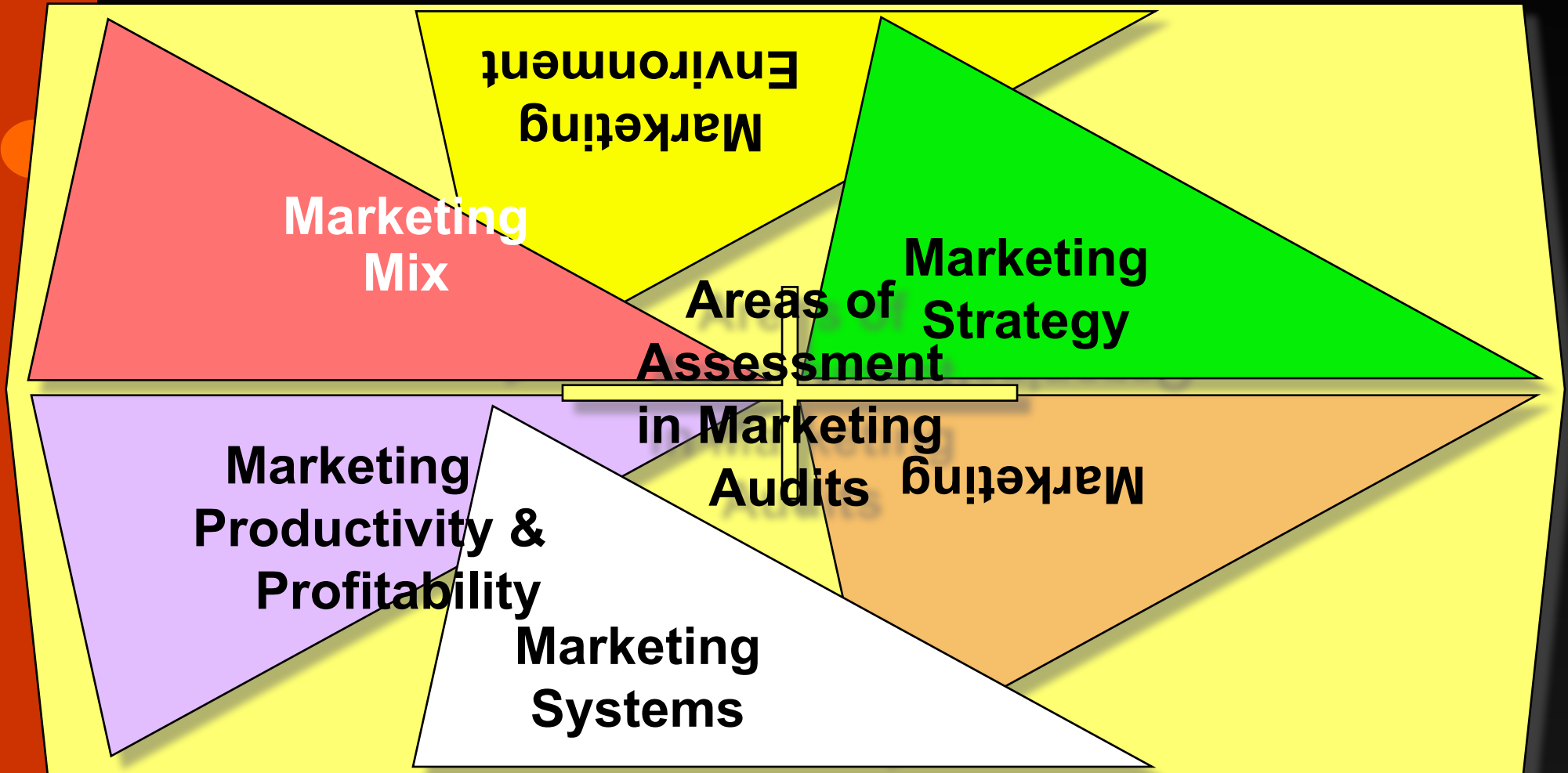
Evaluate Performance



Take Corrective Action



Marketing Audits





Rest Stop: Reviewing the Concepts

- Explain company-wide strategic planning and its four steps.
- Discuss how to design business portfolios and develop growth strategies.
- Explain functional planning strategies and marketing's role in strategic planning.
- Describe the marketing process and the forces that influence it.
- List the marketing management functions, including the elements of a marketing plan