

---

Ashwin W. Joshi, Ph.D.  
Director, MBA Program  
Schulich School of Business  
York University

**OBJECTIVES**  
\* Objectives  
\* Metrics

**DRIVERS**  
\* Key Strength  
\* Key Opportunity  
\* Key Prior Success Lessons

**VALUE PROPOSITION**  
\* Cost Leader  
\* Differentiation

**IMPEDIMENTS**  
\* Key Weakness  
\* Key Threat  
\* Key Prior Failure Lessons

**ALTERNATIVES**  
•Strategic  
•Tactical

**EVALUATION**  
\* Leverage Key Strength  
\* Avoid Key Weakness  
\* Exploit Key Opportunity  
\* Mitigate Key Threat  
\* Consistent with Strategic Identity

**IMPLEMENTATION**  
\* Marketing (People, Position, Product, Price, Promotion, Place)  
\* HR (Selection, Motivation, Control)  
\* Operations (inbound logistics, operations, outbound logistics, sales/marketing, after sales)  
\* Finance (Marketing Expenses; Contribution Margin)

# Component 1: Plan Development

---

- ❑ Objectives and Metrics: What is the desired state?
- ❑ Drivers: What are the present situational enablers that will get us there?
- ❑ Impediments: What in the present situation will prevent us from attaining the desired state?
- ❑ Value Proposition: Why should the customer buy from us?
- ❑ Lessons Learned: How do we avoid repeating prior mistakes and replicating prior successes?
- ❑ Alternatives: What are the different approaches to attaining the desired state?
- ❑ Evaluation/Recommendation: What is the best approach?
- ❑ Implementation Planning: How do we execute the best approach?

# Plan Development: Objectives for laptops of the future

---

- State Objective(s):
  - What is the “big picture”/long-term goal that will be addressed by the Strategic Marketing Plan?
  - *State Here:*

# Plan Development: Metrics

---

- State the Specific Metrics (Across Functional Areas: Marketing; Operations; HR; Finance)
  - Metrics = what needs to be measured to know that the objective is being attained?
    - *Metric 1:*
    - *Metric 2:*
    - *Metric 3:*

# Plan Development : Identifying the Enablers

---

- Enablers
  - Key Strength
  - Key Opportunity

# Finding Your Key Strength

---

- Step 1
  - For each element in your marketing mix ask 2 questions
    - What is Customer Assessment of Own Performance on that element?
    - What is Customer Assessment of Competitor Performance on that Element?
- Step 2
  - Key Strength = The element that has
    - High Customer Assessment of Own Performance, AND
    - Low Customer Assessment of Competitor Performance

# Finding Your Key Strength: Step 1

| MARKETING MIX ELEMENT | CUSTOMER ASSESSMENT | COMPETITOR PERFORMANCE |
|-----------------------|---------------------|------------------------|
| People                |                     |                        |
| Position              |                     |                        |
| Product               |                     |                        |
| Price                 |                     |                        |
| Promotion             |                     |                        |
| Place                 |                     |                        |



# Finding Your Key Strength: Step 2

---

□ *State your KEY Strength Here:*

□ NOTES:

- While you may have many strengths, the challenge is to identify your CORE strength
- Simplicity (Clarity) not Simplistic

# Finding Your Key Opportunity: Step 1 - List All Opportunities

---

| ENVIRONMENTAL<br>SECTOR | OPPORTUNITY<br>(POSITIVE TREND) |
|-------------------------|---------------------------------|
| Social                  |                                 |
| Technological           |                                 |
| Economic                |                                 |
| Political               |                                 |

# Finding Your Key Opportunity: Step 2 - Diagnostic Tool

---

- Rate the opportunities from the previous page on the extent to which they enable you to attain your strategic objective.
  - Key Opportunity = the opportunity that has the most direct bearing on your strategic objective
  - *State your KEY Opportunity Here:*

# Plan Development: Identifying Impediments

---

- Impediments
  - Key Weaknesses
  - Key Threats

# Finding Your Key Weakness

---

- Step 1
  - For each element in your marketing mix ask 2 questions
    - What is Customer Assessment of Own Performance on that element?
    - What is Customer Assessment of Competitor Performance on that Element?
- Step 2
  - Key Weakness = The element that has
    - Low Customer Assessment of Own Performance, AND
    - High Customer Assessment of Competitor Performance

# Finding Your Key Weakness: Step 1

| MARKETING MIX ELEMENT | CUSTOMER ASSESSMENT | COMPETITOR PERFORMANCE |
|-----------------------|---------------------|------------------------|
|                       |                     |                        |
|                       |                     |                        |
| Product               |                     |                        |
| Price                 |                     |                        |
| Promotion             |                     |                        |
| Place                 |                     |                        |

# Finding Your Key Weakness: Step 2

---

□ *State your KEY Weakness Here:*

□ NOTES:

- While you may have many weaknesses, the challenge is to identify your CORE weakness
- Simplicity (Clarity) not Simplistic

# Finding Your Key Threat: Step - List All Threats

---

| ENVIRONMENTAL SECTORS | THREATS (NEGATIVE TRENDS) |
|-----------------------|---------------------------|
| Social                |                           |
| Technological         |                           |
| Economic              |                           |
| Political             |                           |



# Finding Your Key Threat: Step 2 - Diagnostic Tools

---

- Rate the threats from the previous page on the extent to which they negatively impact your strategic objective.
  - Key Threat = the threat that has the most detrimental impact on your strategic objective
  - *State your KEY Threat Here:*

# Lessons Learned: Prior Successes

---

- The Lesson:
  - The Experience on which the lesson is based:
- The Lesson...:
  - The Experience:

# Lessons Learned: Prior Failures

---

- The Lesson:
  - The Experience on which the lesson is based:
- The Lesson...:
  - The Experience:

# Clarifying The Product's Value Proposition (Strategic Identity)

---

- Is the product intended to be...
  - A Cost Leader
  - A Differentiated Player (specify the dimension: technology, design, customer service, image)
  - A Focused Cost Leader
  - A Focused Differentiator
  
  - *State Product Value Proposition Here:*

# The Players in the Plot

---

- Re-State....*
- Objective:*
- Key Strength:*
- Key Weakness:*
- Key Opportunity:*
- Key Threat:*
- Value Proposition:*
- Lessons Learned:*

# Plan Development: Generating Strategic and Tactical Alternatives

---

- Level 1: Strategic
  - Strategic alternatives are conceptually distinct and completely exhaustive
  - Examples: Ansoff Matrix; push vs. pull; punish vs. reward; incremental vs. radical change
- Level 2: Tactical
  - Tactical alternatives are subsets of strategic alternatives. Thus, if you picked the “punish” strategy, tactical alternatives refer to the different types of punishment you can impose.
  - Examples of tactical alternatives: severe punishment vs. gentle punishment;

# State Your Strategic Alternatives

---

- Strategic Alternative 1:
- Strategic Alternative 2:
- Strategic Alternative 3...:

# Plan Development : Evaluation and Recommendation of Strategic Alternatives

---

- Evaluation Criteria...The chosen strategic alternative should:
  - Leverage Key Strength (Feasibility)
  - Exploit Key Opportunity (Likelihood of Success)
  - Avoid Key Weakness
  - Mitigate Key Threat
  - Consistent with Value Proposition
  - Based on Lessons Learned
- Rate each alternative using a scale of Low, Medium, High (L,M,H) against each criterion
- Strategic Recommendation typically has the most number of Hs



# Evaluation and Strategic Recommendation

| CRITERIA                                   | ALTERNATIVE 1 | ALTERNATIVE 2 |
|--|---------------|---------------|
| Leverage Key Strength (compact and simple) |               |               |
| Exploit Key Opportunity                    |               |               |
| Mitigate Key Threat                        |               | H             |
| Avoid Key Weakness                         |               |               |
| Consistent with Value Proposition          |               |               |
| Based on Lessons Learned                   |               |               |



Schulich  
Executive  
Education  
Centre

# From Strategic to Tactical Alternatives...

---

- Re-State Your Strategic Recommendation:
- Identify Tactical Alternatives that flow from your strategic recommendation
  - Tactical Alternative 1:
  - Tactical Alternative 2:
  - Tactical Alternative 3...:

# Evaluation of Tactical Alternatives

---

- Tactical Alternative 1:
  - Pros
  - Cons
  
- Tactical Alternative 2:
  - Pros
  - Cons
  
- Conclusion: State why the pro/con ratio of one alternative is superior to that of another
  
- **Conclusion:**

# Plan Development: Implementation

---

- Marketing

  - People:

    - who is the “Linda” (I.e., core customer)?

  - Positioning:

    - What is the REAL ESTATE you want in Alex’s mind?

    -

# Plan Development: Implementation

---

- Marketing
  - Product:
    - Customer Experience
    - User Interface

# Plan Development: Implementation

---

- Marketing
  - Price:
    - Retail Selling Price (RSP); Discounts
    - Skim vs. Penetration

# Plan Development: Implementation

---

- Marketing

- Promotion:

- Medium

- Message (Rational, Emotional – fear, sex, humour)

# Plan Development: Implementation

---

- Marketing

  - Place:

    - Structure – direct vs. indirect

    - Process – handling opportunism through contract, trust, power



# Plan Development: Implementation

---

## □ HR

- Headcount Implications
- Employee Selection Criteria
- Employee Motivation Tools

# Plan Development: Implementation

---

- Operations
  - Inbound Logistics
  - Operations
  - Outbound Logistics
  - Sales and Marketing
  - After-Sales Service

# Plan Development: Implementation (Key Performance Indicators)

---

| KEY PERFORMANCE INDICATORS       | PRESENT LEVEL | PROJECTION FOR 2014 |
|----------------------------------|---------------|---------------------|
| Profit level                     |               |                     |
| ARPU (Average revenues per user) |               |                     |
| Revenues                         |               |                     |
| Loyalty                          |               |                     |
| brand recognition/<br>awareness  |               |                     |

# Plan Development: Implementation

---

□ Timeline

| WHO | Will do<br>WHAT | WHEN |
|-----|-----------------|------|
|     |                 |      |
|     |                 |      |
|     |                 |      |
|     |                 |      |
|     |                 |      |

# Plan Development: Implementation

---

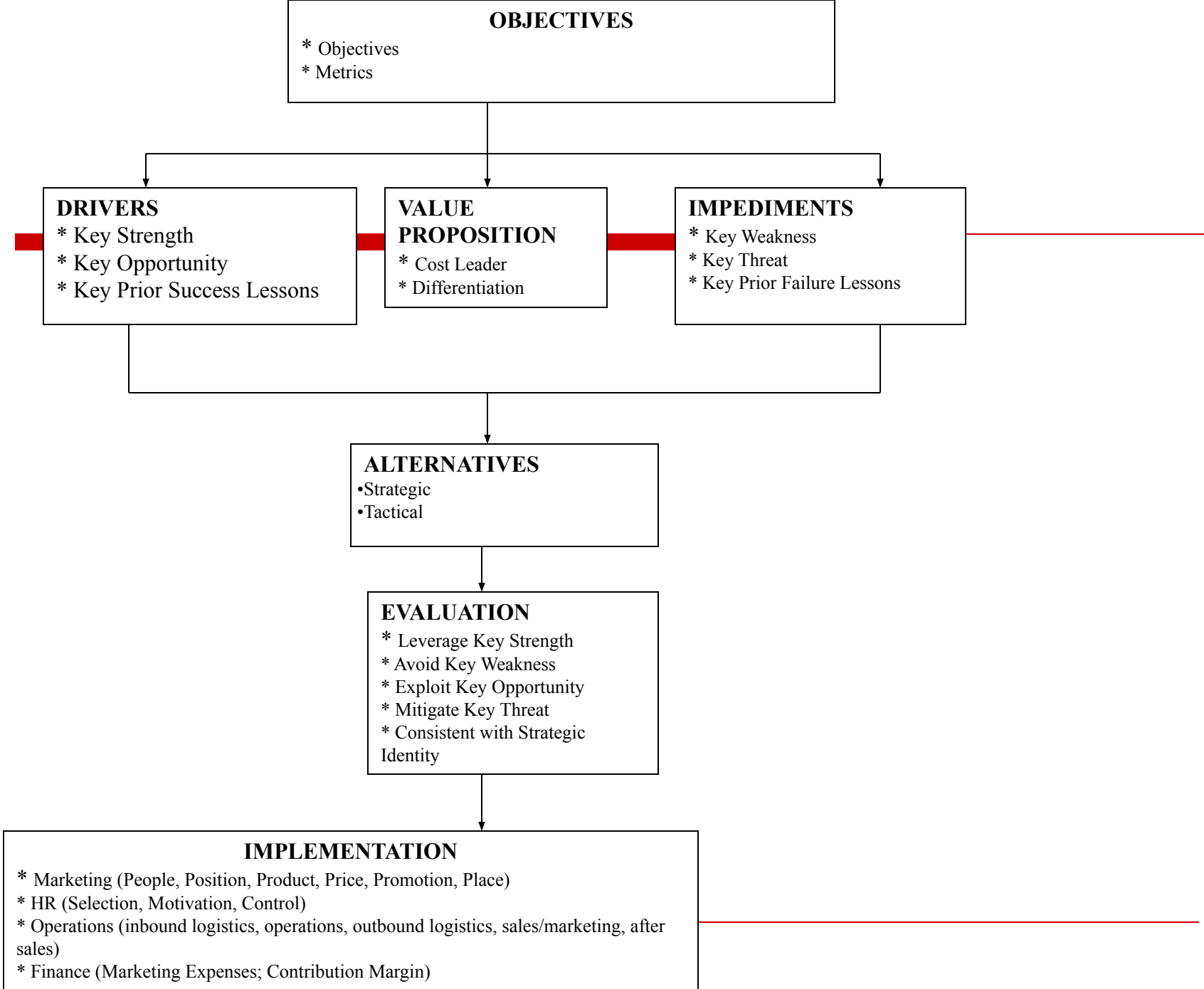
## □ Contingency Plan

| Risks | Mitigation Strategy |
|-------|---------------------|
| 1.    |                     |
| 2.    |                     |
| 3.    |                     |

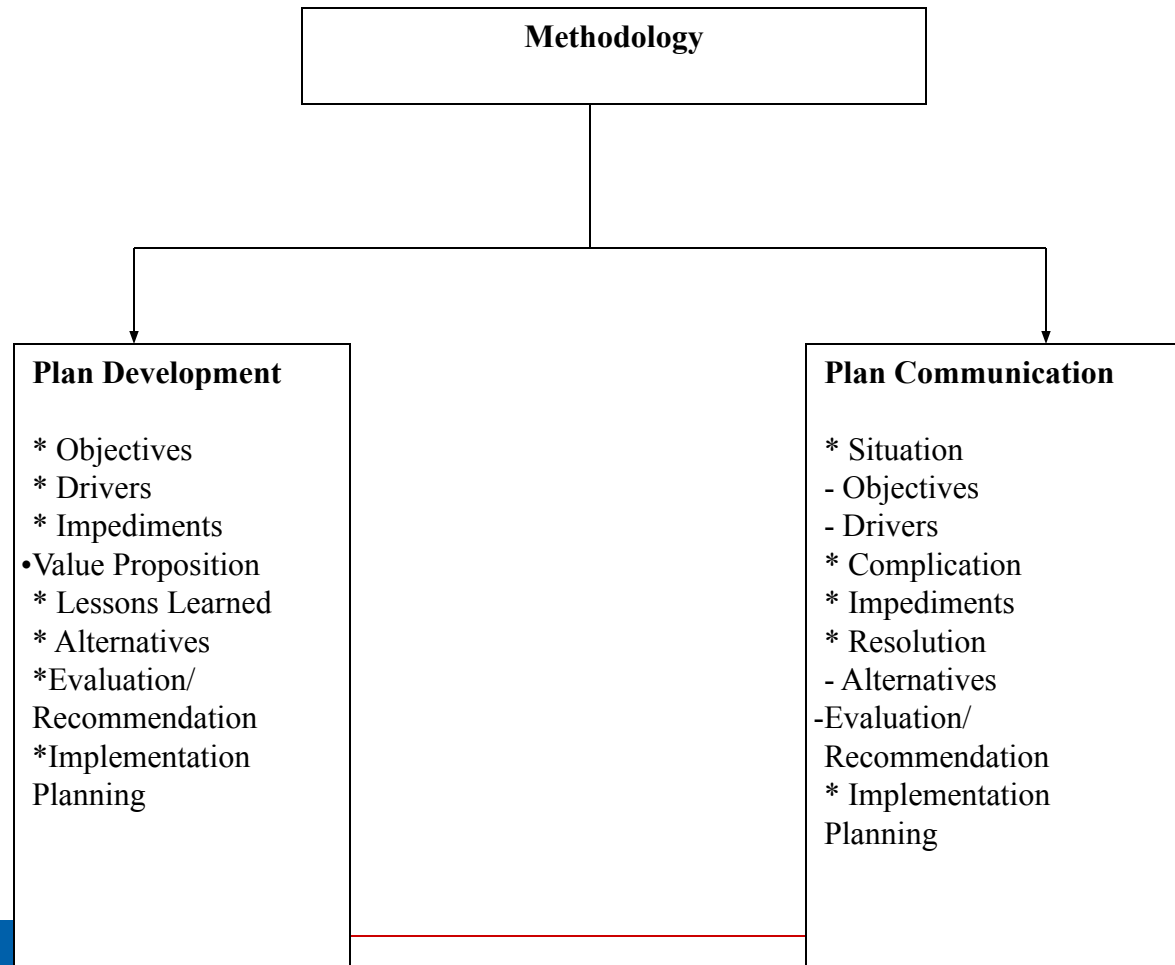
# Summary

---

|                        |         |
|------------------------|---------|
| Short-Term Objective   | Actions |
| Medium-Term Objectives | Actions |
| Long-Term Objectives   | Actions |



# Methodology Components: Plan Development and Plan Communication





# Plan Communication: The Story

---

- Situation
  - Objectives
  - Drivers
- Complication
  - Impediments
- Resolution
  - Alternatives
  - Evaluation/Recommendation
  - Implementation

# Plan Communication: The Story

---

- Having developed your plan, ask if there is a fable (e.g., Aesop), moral (e.g., the early bird gets the worm) and/or metaphor (e.g., the pig in the python) that captures the essence of your presentation.
- Start and conclude your presentation with the fable/moral/metaphor. Note, this could also be used to create the title of your presentation.

# Plan Communication: The Story

---

- The Situation
  - State and Discuss the Objective and associated metrics
  - State and Discuss the Enablers

# Plan Communication : The Story

---

- The Complication
  - State and Discuss the Impediments

# Plan Communication: The Story

---

## □ The Resolution

- Discuss the Strategic Alternatives that can be used to meet the change objective
- Evaluate these alternatives against decision criteria
- Discuss the Tactical Alternatives that can be used to meet the change objective
- Evaluate these alternatives on the basis of the advantages/disadvantages of each
- State your strategic recommendation and emphasize two points: feasibility and likelihood of success
- State your tactical recommendation and emphasize why its advantage/disadvantage ratio is superior to the alternatives

# Plan Communication: The Story

---

## □ The Resolution

- Discuss the Implementation Plan in terms of the action implications for the functional areas
- Discuss the Timeline
- Discuss the Contingencies
- Discuss the Summary Slide
- Conclude with the fable/moral/metaphor

# Methodology Components: Plan Development and Plan Communication

