

e-Learning on Digital Agriculture

Lecture 7. Marketing Strategy

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Objectives

- Describe strategic planning process
- Explain how organizational resources & opportunities affect planning process
- Understand role of mission statement in strategic planning
- Examine corporate, business-unit, and marketing strategies
- Understand process of creating marketing plan
- Describe marketing implementation process and major approaches to marketing implementation

Strategic Planning

The process of establishing an organizational mission and formulating goals, corporate strategy, marketing objectives, marketing strategy, and a marketing plan.

[Strategic Marketing Plan FAQs](#)

Components Of Strategic Planning



Source: From *Marketing Strategy*, 2nd Edition. Reprinted with permission of South-Western, a division of Thomson Learning. Copyright © 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015.

Marketing Strategy

A plan of action for identifying and analyzing a target market and developing a marketing mix to meet the needs of that market.

[Apple's iPod](#)

Effective Marketing Strategy

- ✓ Reflects overall direction of organization
- ✓ Coordinated with firm's functional areas
- ✓ Contributes to achievement of:
 - Marketing objectives
 - Organizational goals

[Apple's Unusual Marketing Strategy](#)

Marketing Plan

A written document that specifies the activities to be performed to implement and control the organization's marketing activities.

Assessing Organizational Resources and Opportunities

- Assessing financial and human resources
 - Capabilities vs. changes
 - Marketing and financial affect
- Goodwill, reputation and brand as resources

Core Competencies

Things a firm does extremely well, which sometimes give it an advantage over its competition.

[Core competencies](#)

Market Opportunity

A combination of circumstances and timing that permits an organization to take action to reach a particular target market.

Strategic Window

Temporary periods of optimal fit between the key requirements of a market and the particular capabilities of a firm competing in the market.

Competitive Advantage

The result of a company's matching a core competency to opportunities it has discovered in the marketplace.

[Dell vs. Apple](#)

SWOT Analysis

Strengths

Weaknesses


Opportunities

Threats

Customer Satisfaction

Strengths

Advantages



Opportunities



Threats

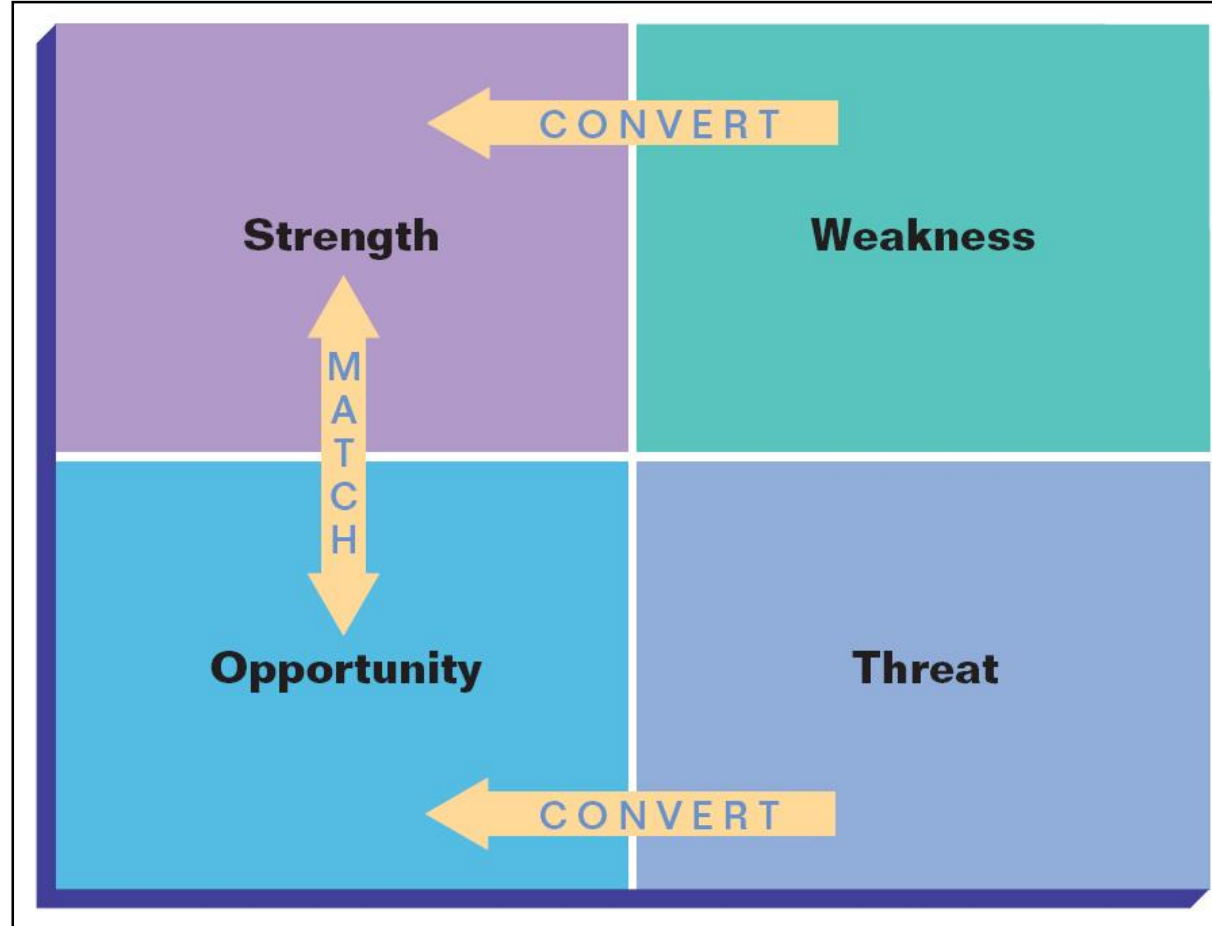


Weaknesses

Disadvantages



Four-Cell SWOT Matrix



Source: Adapted from Nigel F. Piercy,
Market-Led Strategic Change.
Copyright © 1992 Butterworth-Heinemann

Establishing an Organizational Mission and Goals

- **Mission Statement**

- A long-term view, or vision, of what the organization wants to become.

Mission

Statement Answers:

👉 Who are our customers?

👉 What is our core competency?

Corporate Identity

🛡️ Unique Symbols

🛡️ Personalities

🛡️ Philosophies

Marketing Objective

A statement of what is to be accomplished through marketing activities.

Marketing Objectives Terms

⦿ Product

- Introduction
- Improvement
- Innovation

⦿ Sales Volume

⦿ Profitability

⦿ Market Share

⦿ Pricing

⦿ Distribution

⦿ Advertising

⦿ Employee Training

Marketing Objective Characteristics

- ↪ Clear, simple terms
- ↪ Measurable
- ↪ Specify time frame
- ↪ Consistent with unit and corporate strategy

Developing Corporate, Business-Unit, and Marketing Strategies



Corporate Strategy

A strategy that determines the means for utilizing resources in the various functional areas to reach the organization's goals.



Microsoft Announces Shift In Corporate Strategy

- “Trustworthy Computing”
- Emphasize security and privacy over new capabilities
- Highest priority is to ensure that computer users continue to venture across an increasingly Internet-connected world
- [“Microsoft announces corporate strategy toward security and privacy”](#)

Information Security News, “Microsoft announces corporate strategy toward security and privacy”, Jan. 2002, <http://seclists.org/lists/isn/2002/Jan/0092.html>

Business-Unit Strategy

- Strategic Business Unit (SBU)
 - A division, product line, or other profit center within the parent company.

[Example of SBU organization](#)

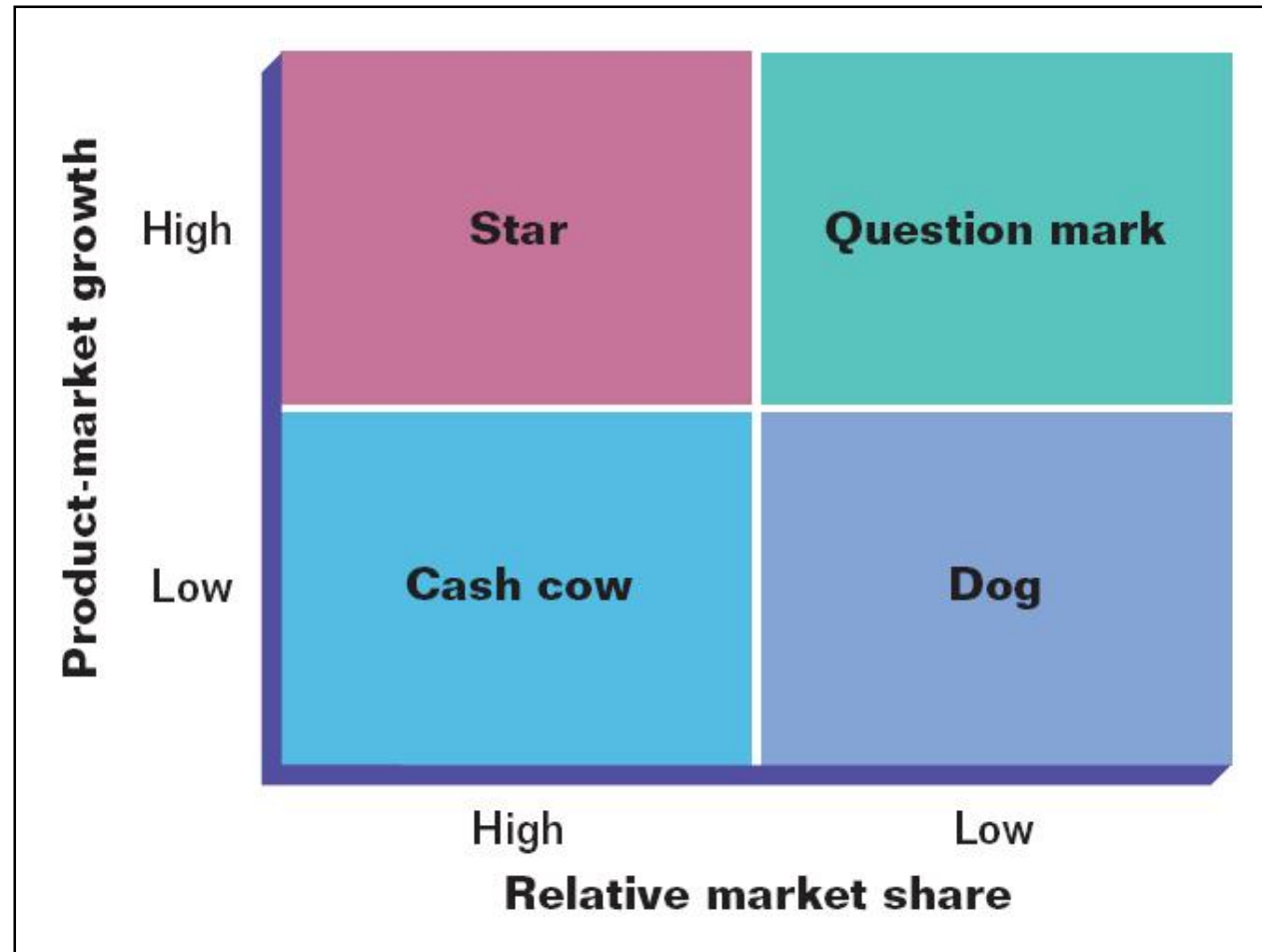
Market

A group of individuals and/or organizations that have needs for products in a product class and have the ability, willingness, and authority to purchase those products.

Market Share

The percentage of a market that actually buys a specific product from a particular company.

Growth Share Matrix



Marketing Strategy

- Components of marketing strategy
 - Selecting target markets
 - Creation of marketing mix.

Sustainable Competitive Advantage

An advantage that the competition cannot copy.

Marketing Planning

The process of assessing marketing opportunities and resources, determining marketing objectives, defining marketing strategies, and establishing guidelines for implementation and control of the marketing program.

Marketing Implementation

The process of putting marketing strategies into action.

Intended Strategy

The strategy the organization decided on during the planning phase

Realized Strategy

The strategy that actually takes place

Components Of The Marketing Plan

table 2.1 COMPONENTS OF THE MARKETING PLAN

Plan Component	Component Summary	Highlights
Executive Summary	One- to two-page synopsis of the entire marketing plan	
Environmental Analysis	Information about the company's current situation with respect to the marketing environment	<ol style="list-style-type: none"> 1. Assessment of marketing environment factors 2. Assessment of target market(s) 3. Assessment of current marketing objectives and performance
SWOT Analysis	Assessment of the organization's strengths, weaknesses, opportunities, and threats	<ol style="list-style-type: none"> 1. Strengths 2. Weaknesses 3. Opportunities 4. Threats
Marketing Objectives	Specification of the firm's marketing objectives	Qualitative measures of what is to be accomplished
Marketing Strategies	Outline of how the firm will achieve its objectives	<ol style="list-style-type: none"> 1. Target market(s) 2. Marketing mix
Marketing Implementation	Outline of how the firm will implement its marketing strategies	<ol style="list-style-type: none"> 1. Marketing organization 2. Activities and responsibilities 3. Implementation timetable
Evaluation and Control	Explanation of how the firm will measure and evaluate the results of the implemented plan	<ol style="list-style-type: none"> 1. Performance standards 2. Financial controls 3. Monitoring procedures (audits)

Approaches To Marketing Implementation

- Customers
 - External
 - Internal
- Internal Marketing
- Total Quality Management
 - Benchmarking
 - Empowerment

External Customers

Individuals who patronize a business.

Internal Marketing

A management philosophy that coordinates internal exchanges between the organization and its employees to achieve successful external exchanges between the organization and its customers.

Total Quality Management

A philosophy that uniform commitment to quality in all areas of the organization will promote a culture that meets customers' perceptions of quality.

Benchmarking

Comparing the quality of the firm's goods, services, or processes with that of its best-performing competitors.

Empowerment

Giving customer-contact employees authority and responsibility to make marketing decisions without seeking approval of their supervisors.

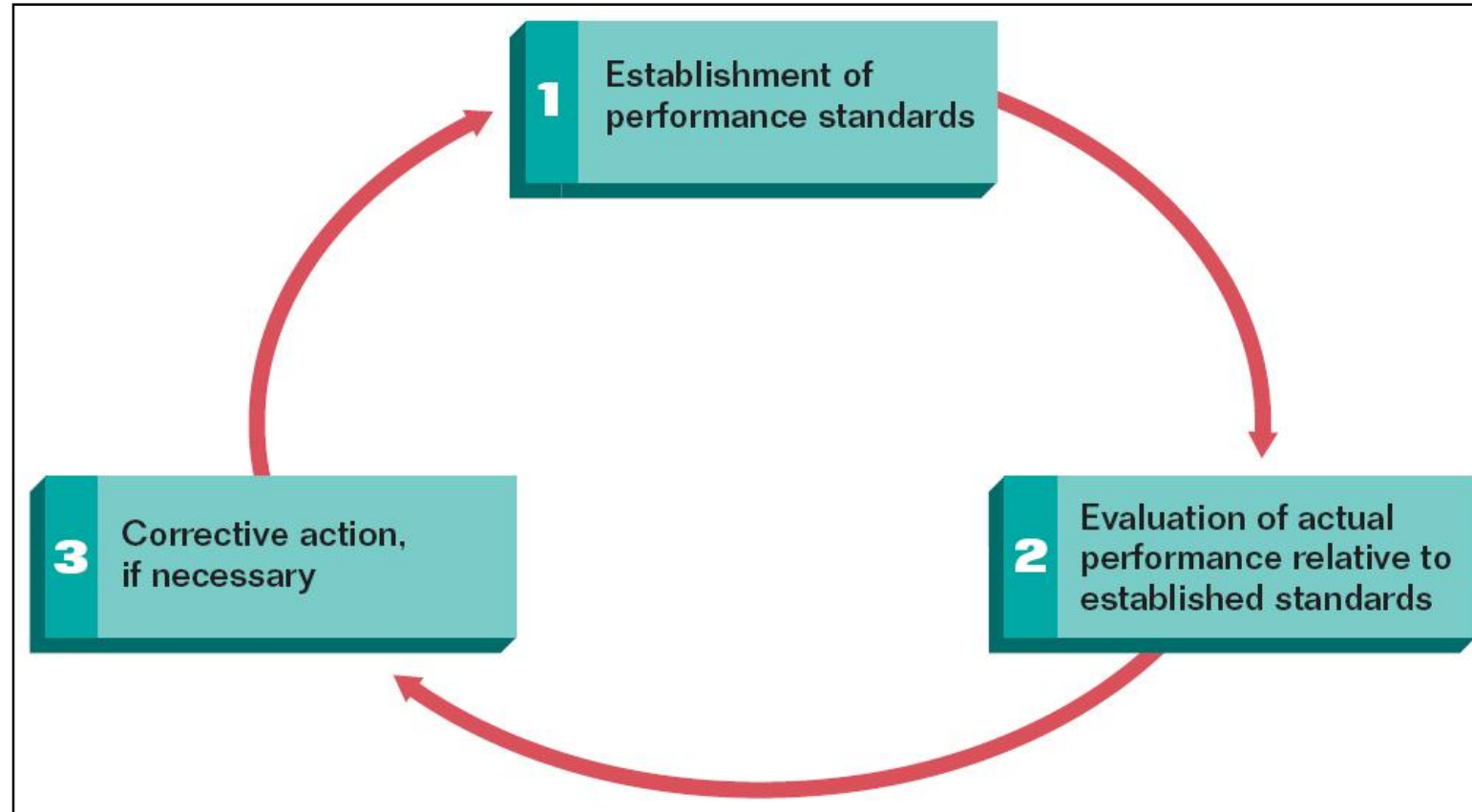
Organizing Marketing Activities

- Organization
 - Centralized
 - Decentralized
- Structure
 - Function
 - Product
 - Region
 - Type of customer

Controlling Marketing Activities

- Marketing Control Process
 - Establishing performance standards, evaluating actual performance by comparing it with established standards, and reducing the difference between desired and actual performance.

The Marketing Control Process



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