

Lecture

2

Developing Marketing Strategies and Plans

By

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The value delivery process

CHOOSING THE VALUE

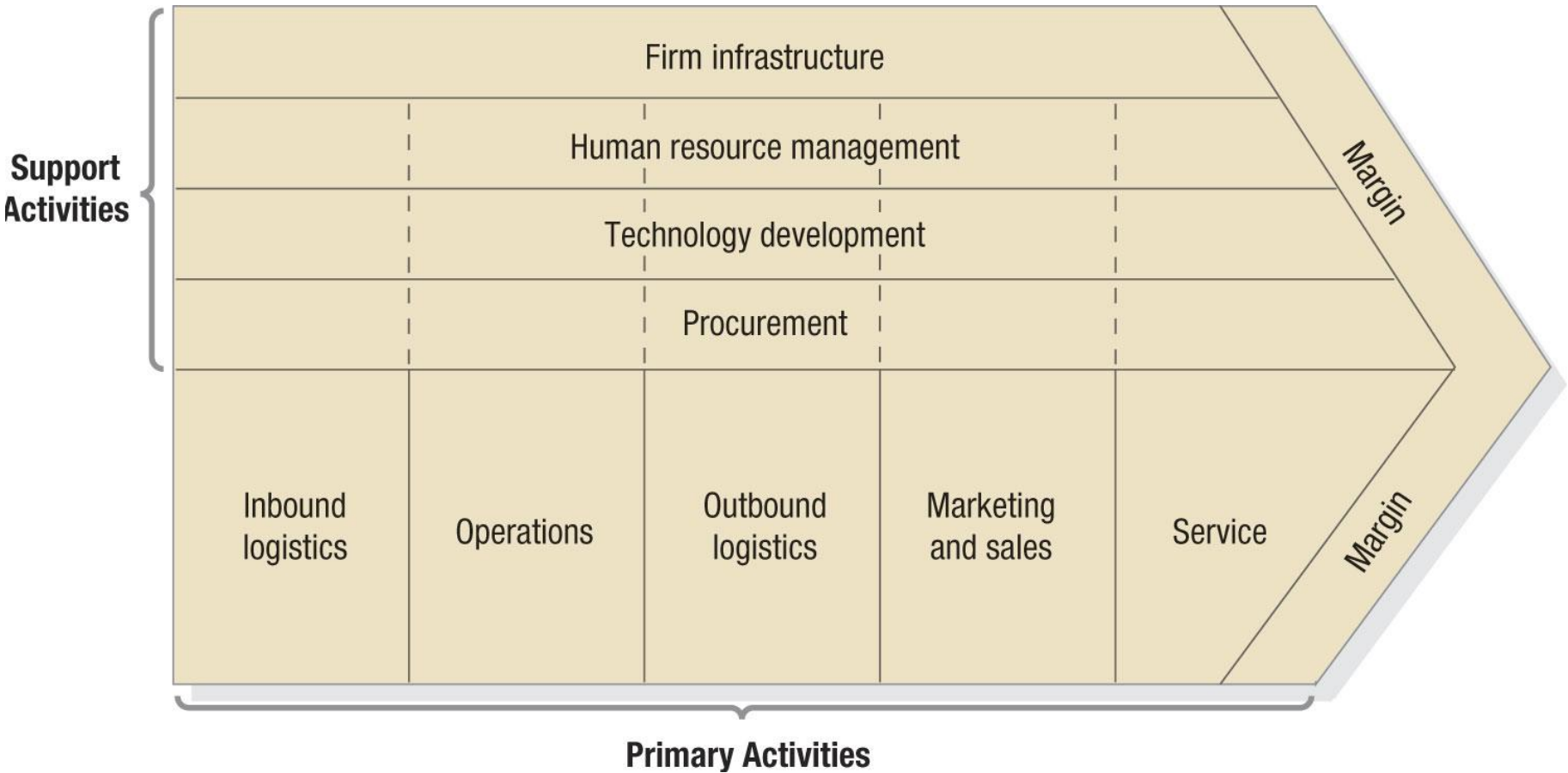
PROVIDING THE VALUE

COMMUNICATING THE VALUE

The Value chain

- A tool for identifying ways to create more customer value
 - Every firm is a synthesis of activities performed to design, produce, market, deliver, and support its product

THE VALUE CHAIN



Core competencies

- A source of competitive advantage
- Applications in a wide variety of markets
- Difficult for competitors to imitate

Central role of strategic planning

- Managing the businesses as an investment portfolio
- Assessing the market's growth rate and the company's position in that market
- Establishing a strategy

Marketing plan

- The central instrument for directing and coordinating the marketing effort
 - Strategic
 - Tactical

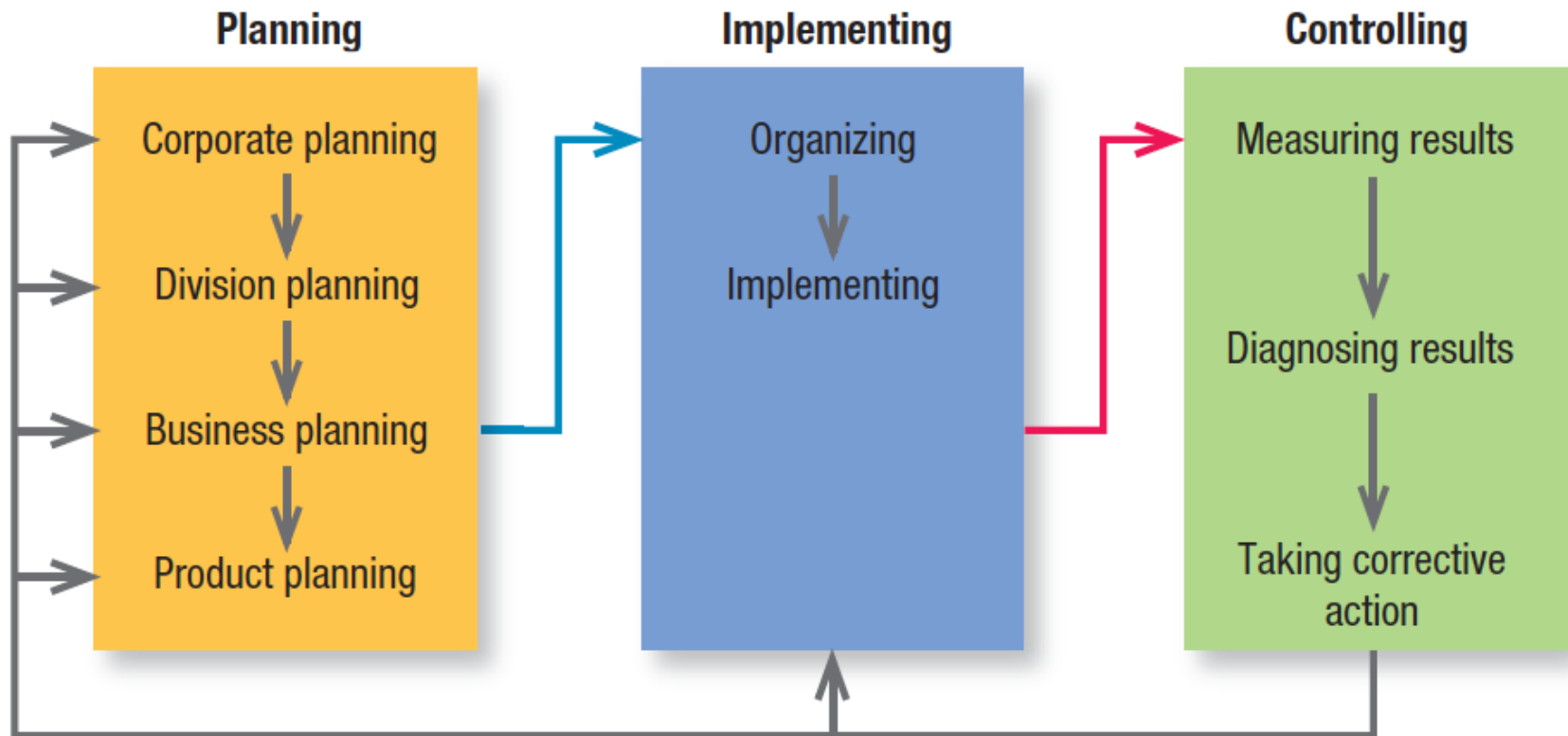


Marketing Plan Contents

- ✓ Executive summary
 - ✓ Table of contents
 - ✓ Situation analysis
 - ✓ Marketing strategy
 - ✓ Marketing tactics
 - ✓ Financial projections
- ✓ Implementation controls

Figure 2.1

Strategic Planning, Implementation, and Control Processes



Corporate and division strategic planning

- Defining the corporate mission
- Establishing strategic business units
- Assigning resources to each strategic business unit
- Assessing growth opportunities

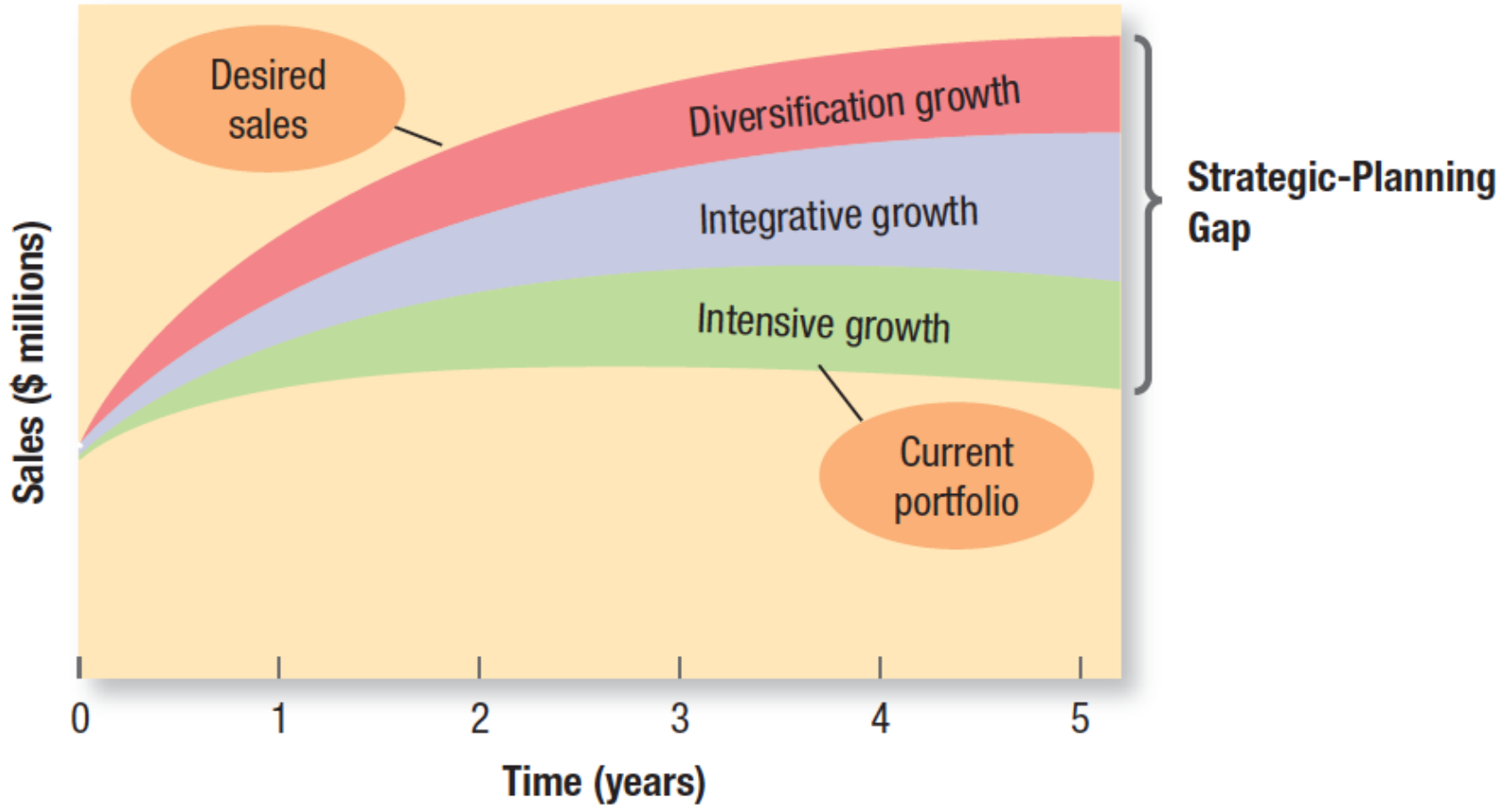
Defining the corporate mission

- What is our business?
- Who is the customer?
- What is of value to the customer?
- What will our business be?
- What should our business be?

Establishing Strategic Business Units

- A single business or collection of related businesses
- Has its own set of competitors
- Has a leader responsible for strategic planning and profitability

Assessing growth opportunities



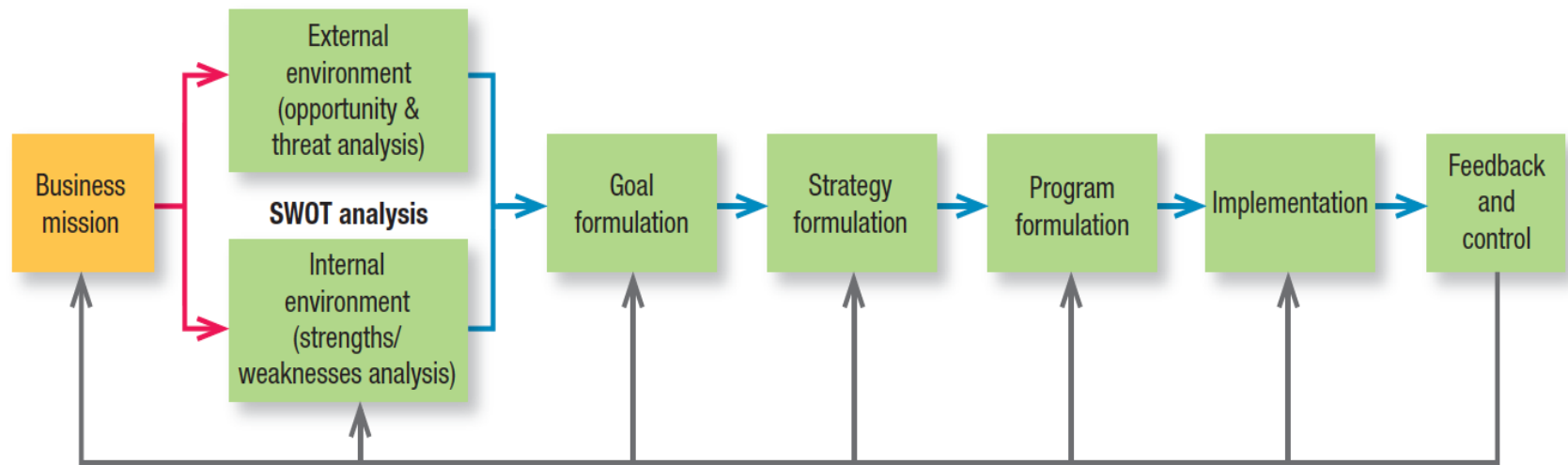
INTENSIVE GROWTH STRATEGIES

ANSOFF'S PRODUCT-MARKET EXPANSION GRID

	Current Products	New Products
Current Markets	1. Market-penetration strategy	3. Product-development strategy
New Markets	2. Market-development strategy	(Diversification strategy)

Figure 2.4

The Business Unit Strategic-planning Process



SWOT Analysis

Strengths

Weaknesses

Opportunities

Threats

Strategic formulation: Porter's Generic Strategies



OVERALL COST LEADERSHIP

DIFFERENTIATION

FOCUS