

# **Advanced Marketing Planning**

by

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Cranfield School of Management**

**8th November 2000**

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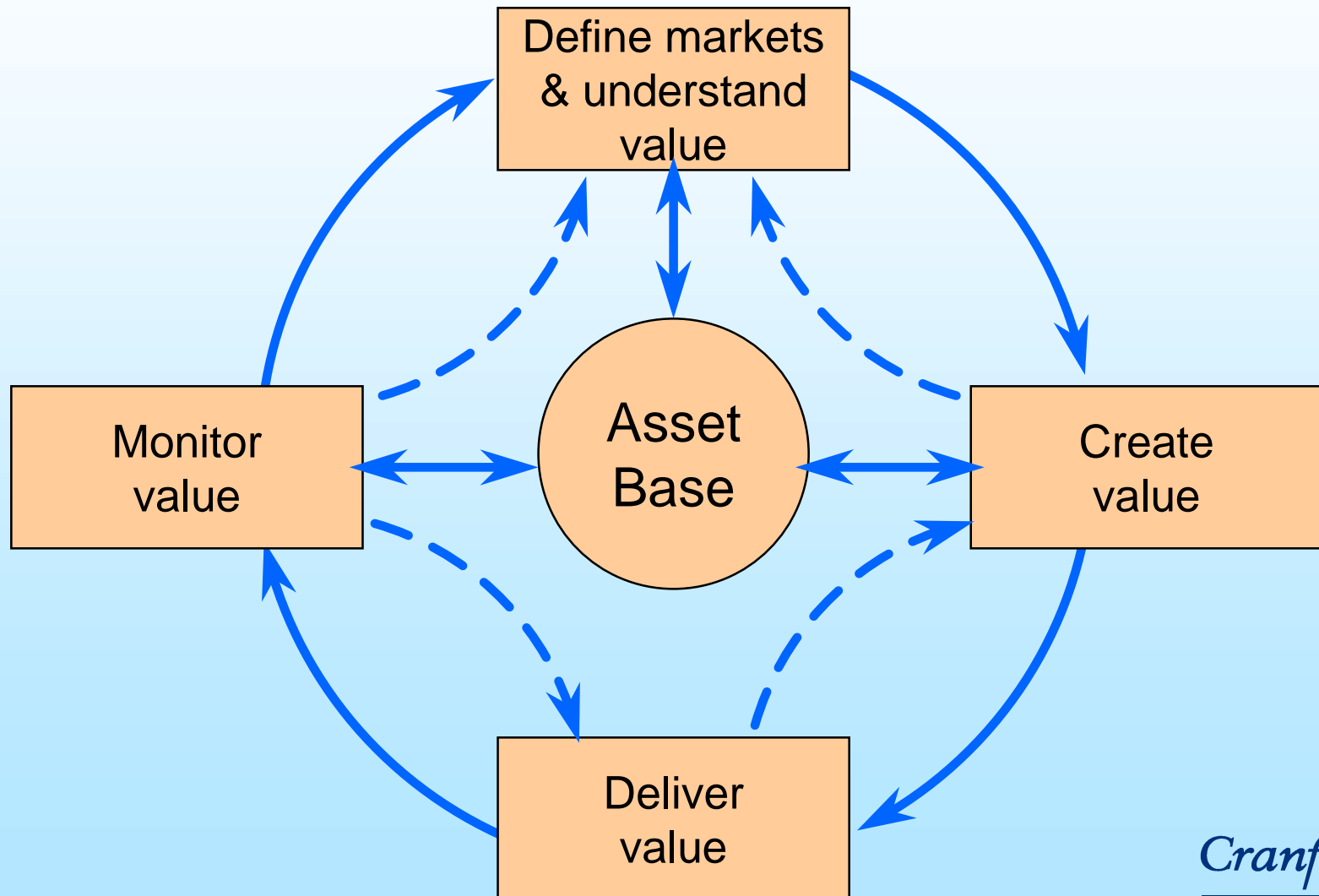
# Definition of marketing

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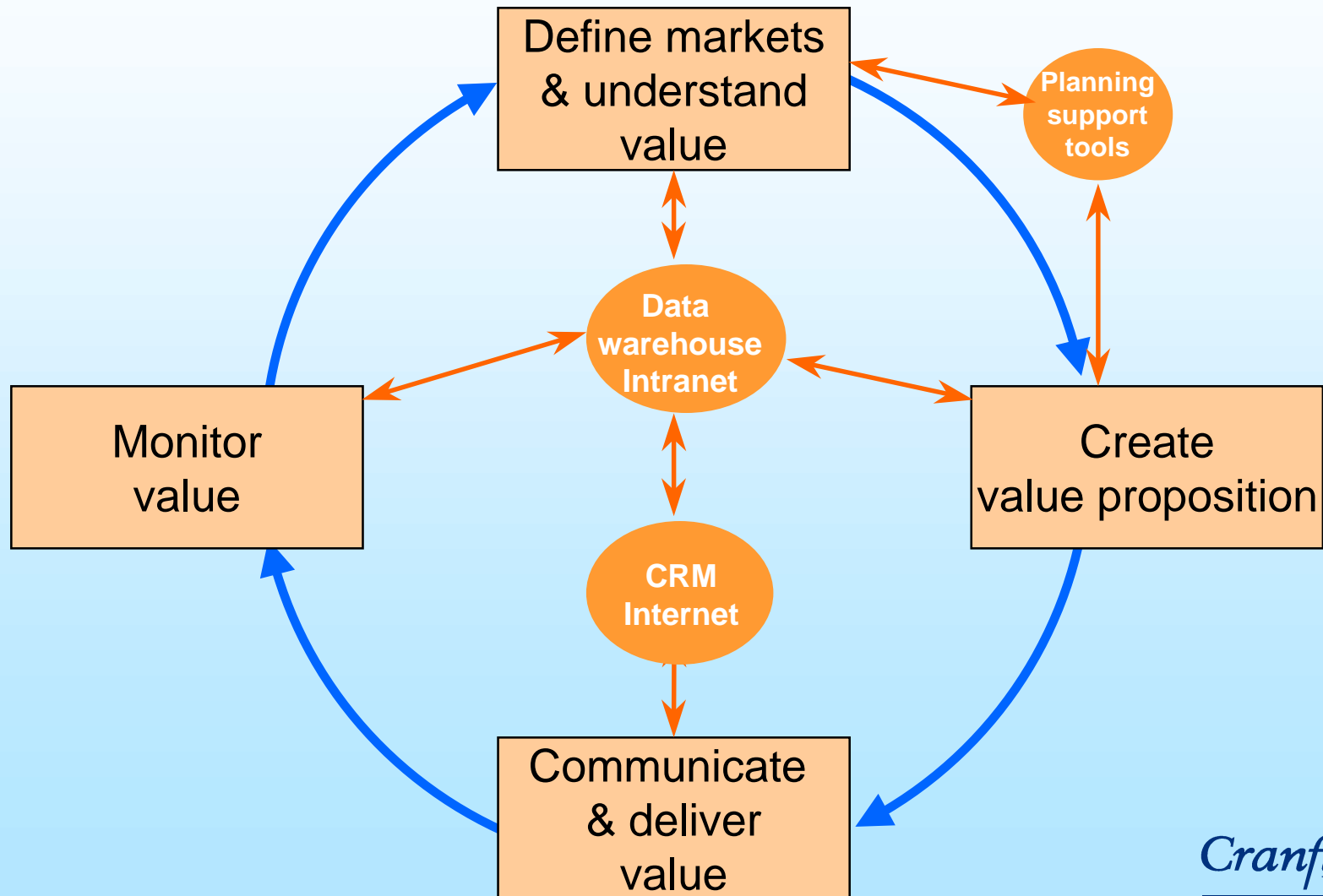
Marketing is a process for:

- understanding markets
- quantifying the value required by the different groups (segments) within these markets
- communicating this value to those responsible for delivering it
- measuring the effectiveness of the value actually delivered

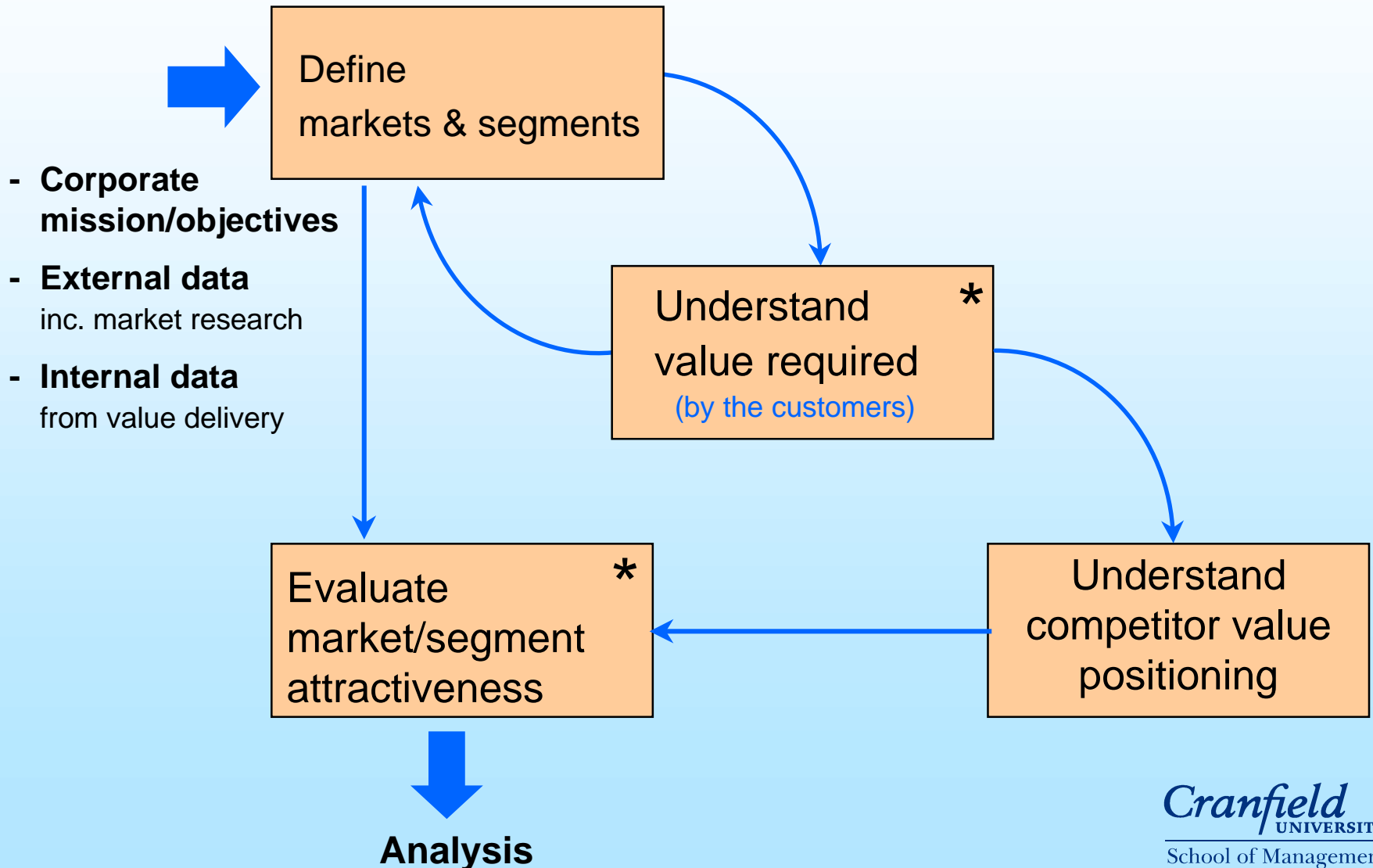
# Map of the marketing domain



# Application areas



# Define markets and understand value



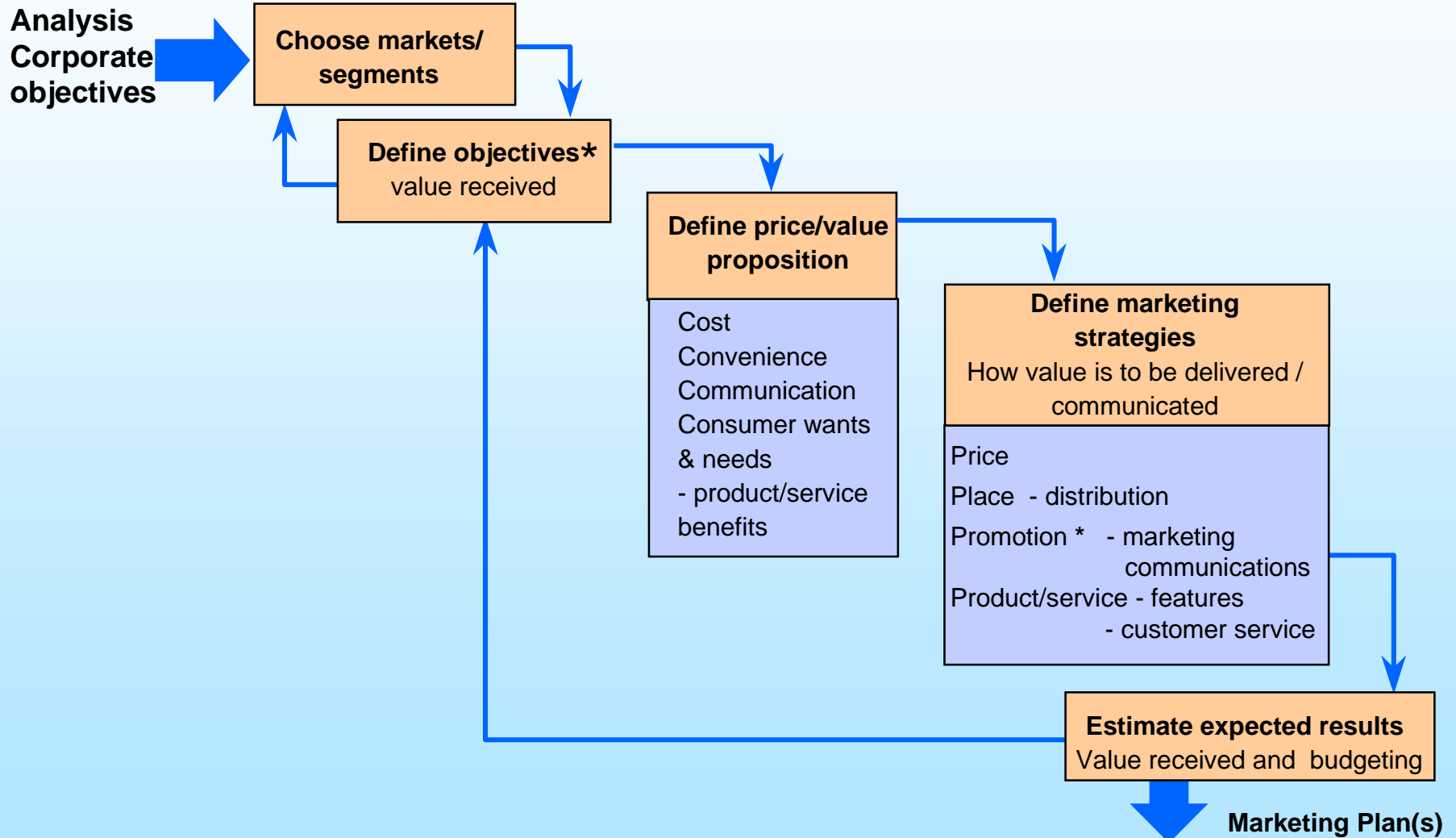
# Key elements of world class marketing

1. Profound understanding of the market-place
2. Creative segmentation and selection
3. Powerful differentiation positioning and branding
4. Effective marketing planning processes
5. Long-term integrated marketing strategies
6. Institutionalised creativity and innovation
7. Total supply chain management
8. Market-driven organisation structures
9. Careful recruitment, training and career management
10. Vigorous line management implementation

# Personalising segments

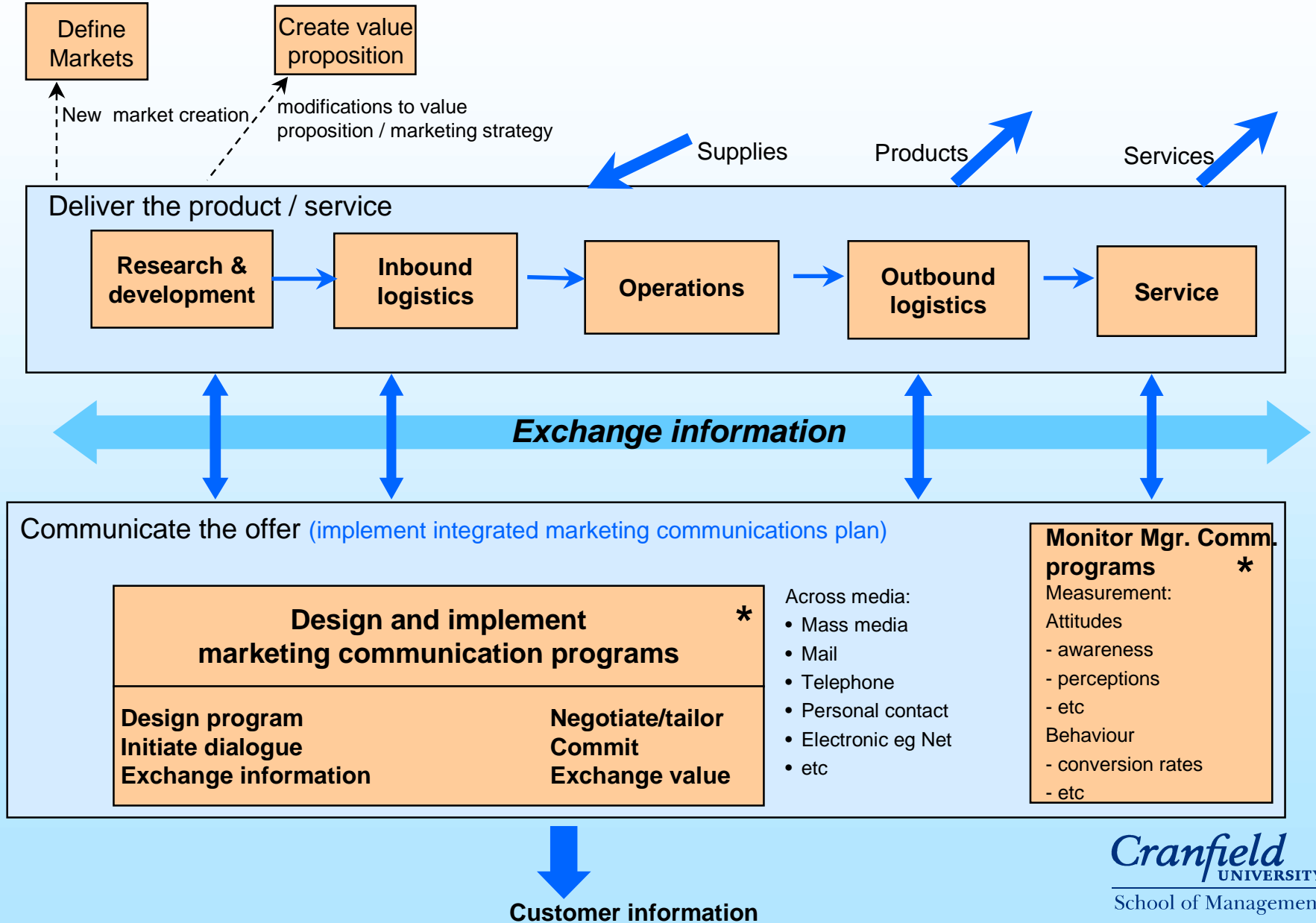


# Create the value proposition

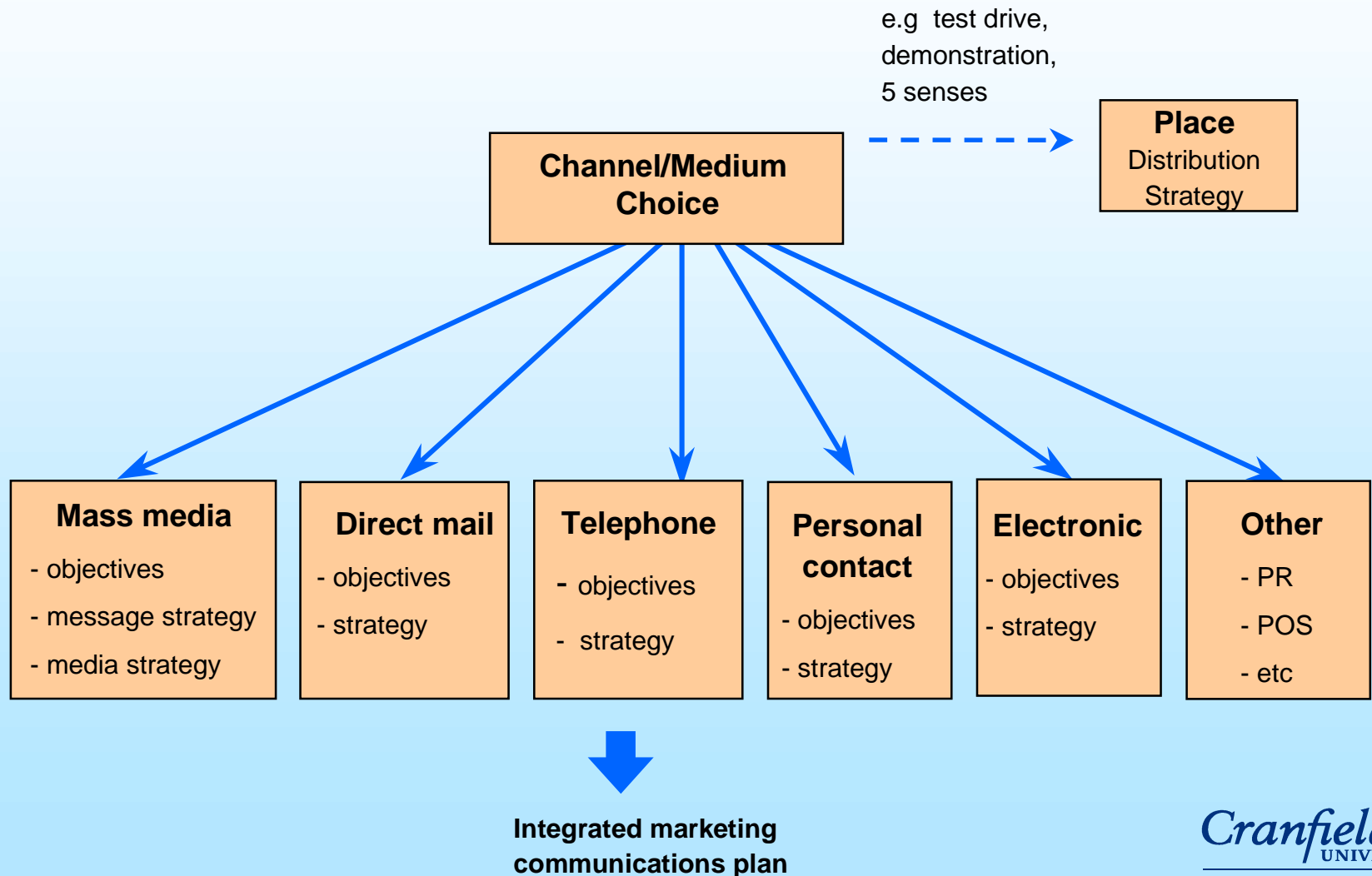




# Deliver value



# Define marketing strategy for promotion



# Monitor value

**Value required**  
(by customers)  
latest vs  
expected

**Value delivered**  
vs proposition

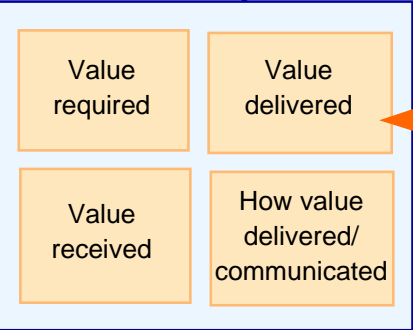
**Value received**  
(by us)  
vs objectives

**How value delivered  
/ communicated vs  
marketing strategies**

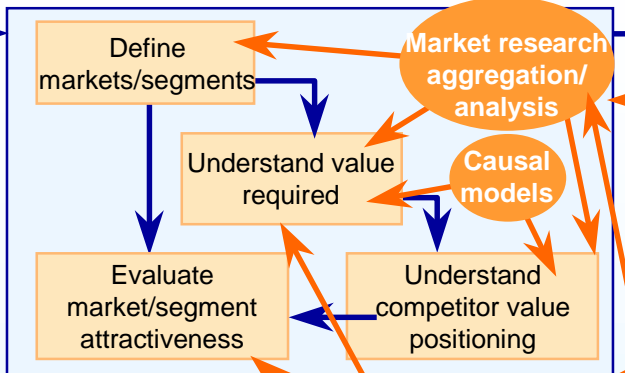
- Product / service vs plan (R&D, Operations)
- Promotions vs plan
- (IMCP)
- Place vs plan
- (Distribution Plan)
- Price vs plan

**IT  
Support  
for  
Marketing**

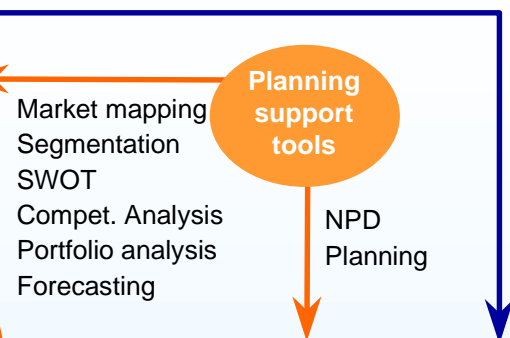
**Monitor  
value**



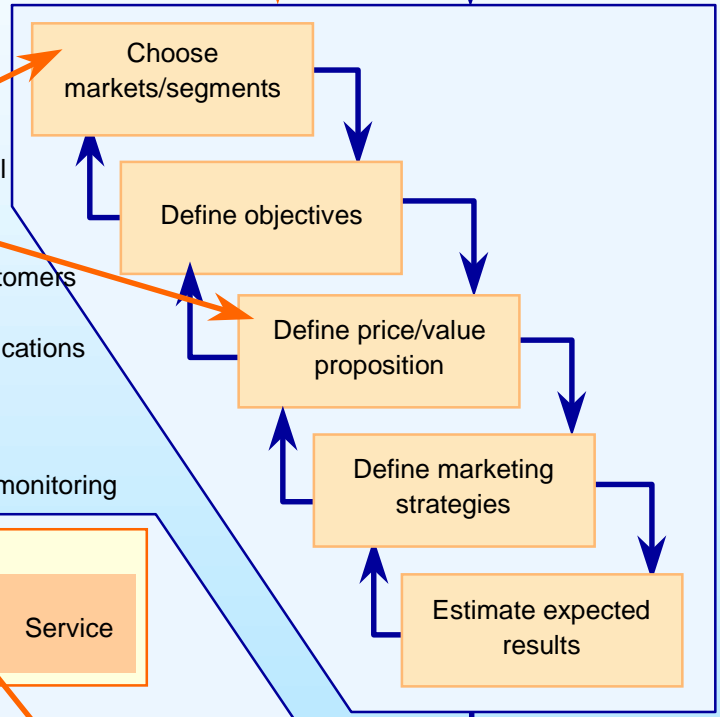
**Define markets & understand value**



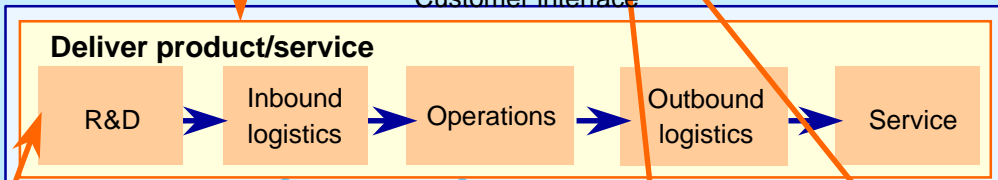
**Analysis**



**Create  
value  
proposition**



**Deliver value**



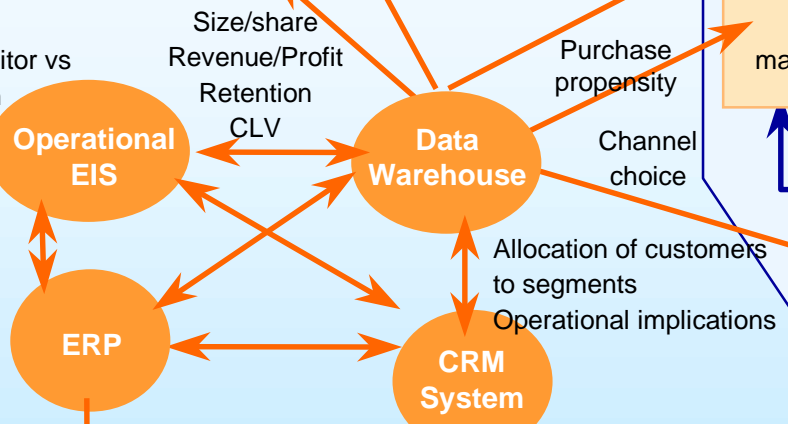
**Exchange information**



**Customer  
information**



**Marketing  
Plan(s)**



# Key areas for improvements in strategic marketing planning

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## General comments

A strategic marketing plan should be a clear and simple summary of key market trends, key target segments, the value required by each of them, how we intend to create superior value (to competitors), with a clear prioritisation of marketing objectives and strategies, together with the financial consequences.

Frequently, they are diffuse, confusing compilations for unconnected individual sections.

# Barriers to marketing planning

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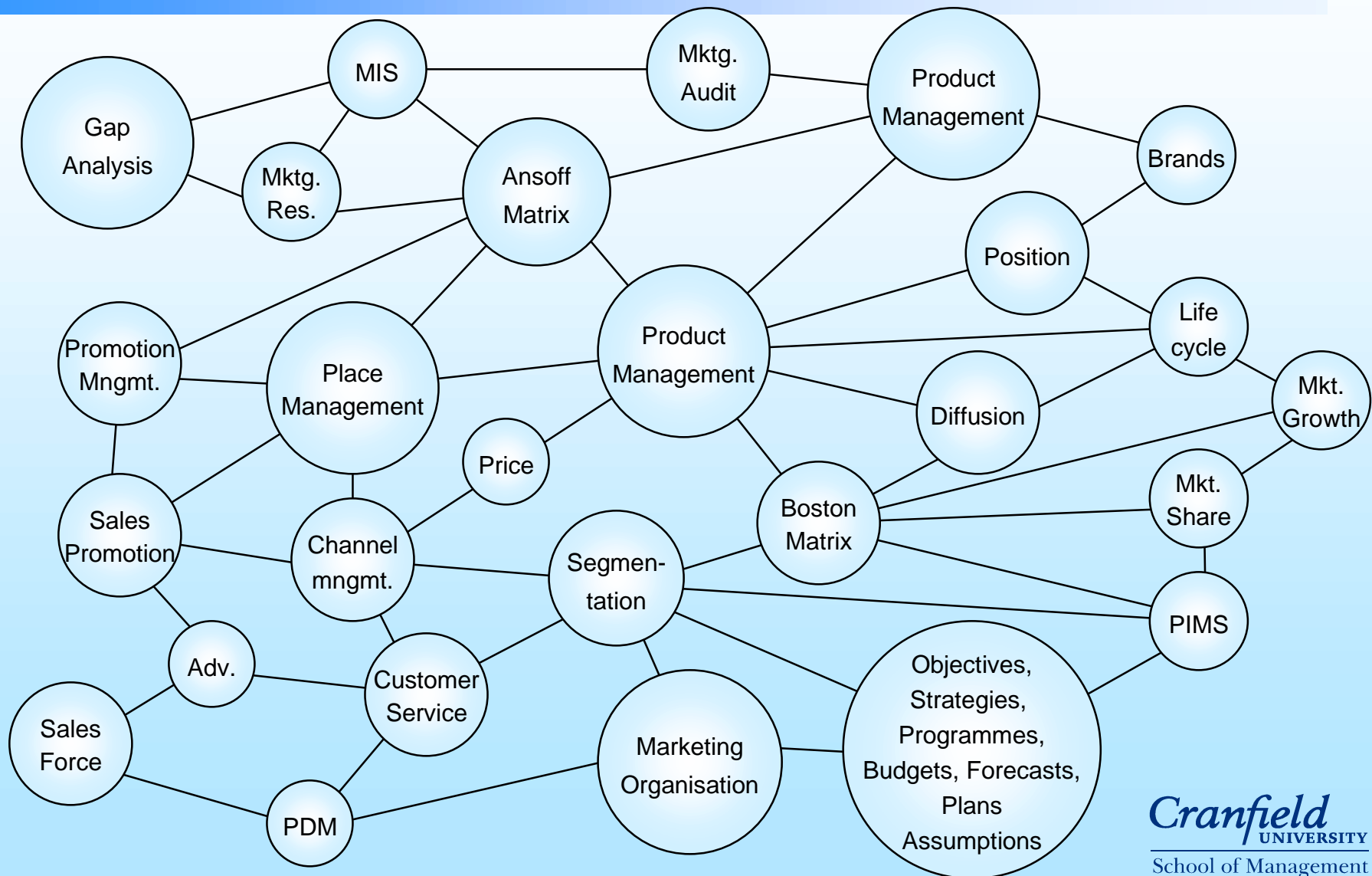
- |                                    |  |
|------------------------------------|--|
| <b>1. Cultural</b>                 | Lack of belief in planning and/or marketing and/or need to change    |
| <b>2. Behavioural</b>              | Lack of top management support; lack of cross functional involvement |
| <b>3. Cognitive</b>                | Lack of knowledge and skill  |
| <b>4. Systems &amp; procedures</b> | Lack of data and/or inappropriate systems                            |
| <b>5. Resources</b>                | Lack of time, people and money                                       |

All of these factors are inter-dependent i.e. change one, it impacts on another

# Lack of Knowledge and Skills

# Key marketing concepts/tools, linkages.

## The need for marketing planning





The marketing Planning process	The output of the marketing planning process Strategic marketing plan contents	Marketing theory (Structures, frameworks, models)
<b>Phase 1</b> Goal setting	Mission statement Financial summary	
<b>Phase 2</b> Situation review	<div> <div>Market overview</div> <div> <div>→ Market structure</div> <div>→ Market trends</div> <div>→ Key market segments</div> <div>→ Gap analysis</div> </div> </div>	Marketing audit Market research Market segmentation studies Gap analysis Product life cycle analysis Diffusion of innovation Ansoff matrix Forecasting Market research
	<div> <div>Opportunities Threats</div> <div>(By product) (By segment) (Overall)</div> </div>	Issue management
	<div> <div>Strengths Weaknesses</div> <div>(By product) (By segment) (Overall)</div> </div>	Key success factors matrix Market research Market segmentation studies
	<div> <div>Issues to be Addressed</div> <div>(By product) (By segment) (Overall)</div> </div>	
	Portfolio summary	B.C.G. Matrix Directional policy matrix
<b>Phase 3</b> Strategy Formulation	<div> <div>Marketing Objectives</div> <div>(By product) (By segment) (Overall)</div> <div> <div>→ Strategic focus</div> <div>→ Product mix</div> <div>→ Product development</div> <div>→ Product deletion</div> <div>→ Market extension</div> <div>→ Target customer groups</div> </div> </div>	Porter matrix Ansoff matrix Bcg matrix Directional policy matrix Gap analysis
	<div> <div>Marketing Strategies</div> <div>(4 x 4 ps) (Positioning/branding)</div> <div> <div>→ Product</div> <div>→ Price</div> <div>→ Promotion</div> <div>→ Place</div> </div> </div>	Market segmentation studies Market research Response elasticities → McDonald PRODUCTIVITY MATRIX Blake mouton matrix
<b>Phase 4</b> Resource Allocation And monitoring	Resource Requirements	Forecasting Budgeting
		Measurement and review

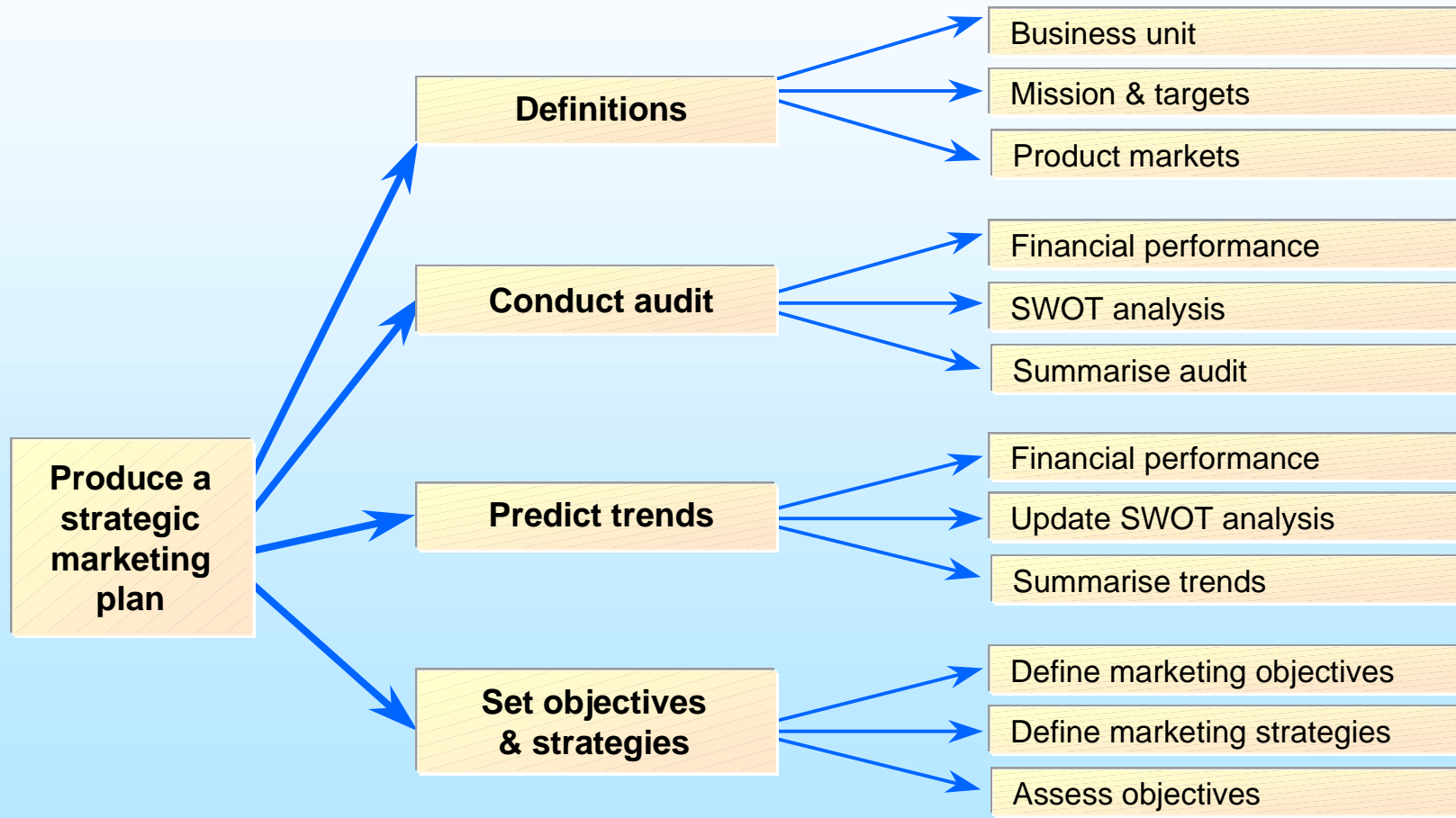
# Cranfield Centre for Advanced Technology in Marketing

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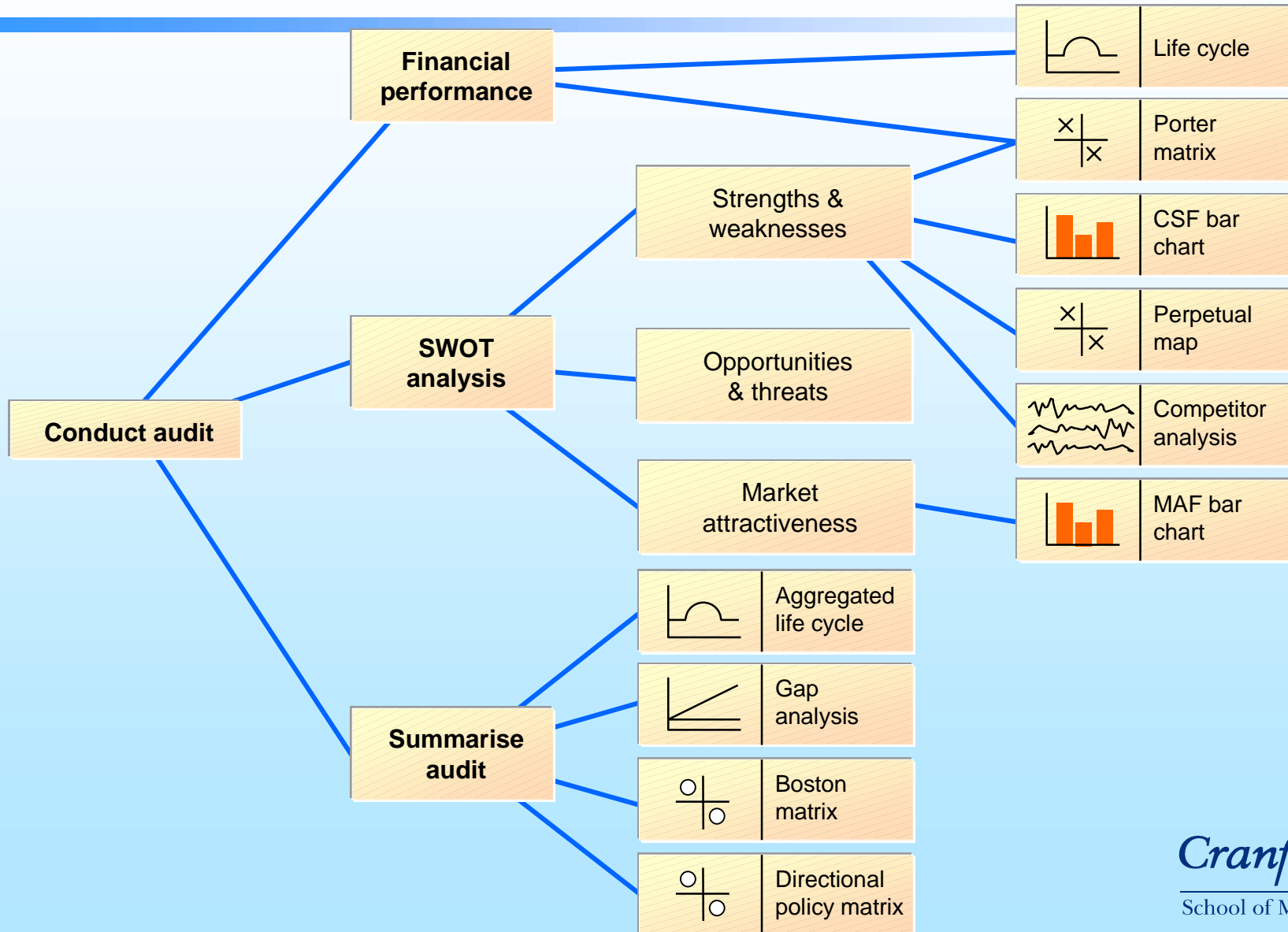
## Objective of Centre

To develop solutions, via information technology, which make available the power of marketing tools, techniques and processes, to personnel at all levels within an organisation, who have an influence on marketing.

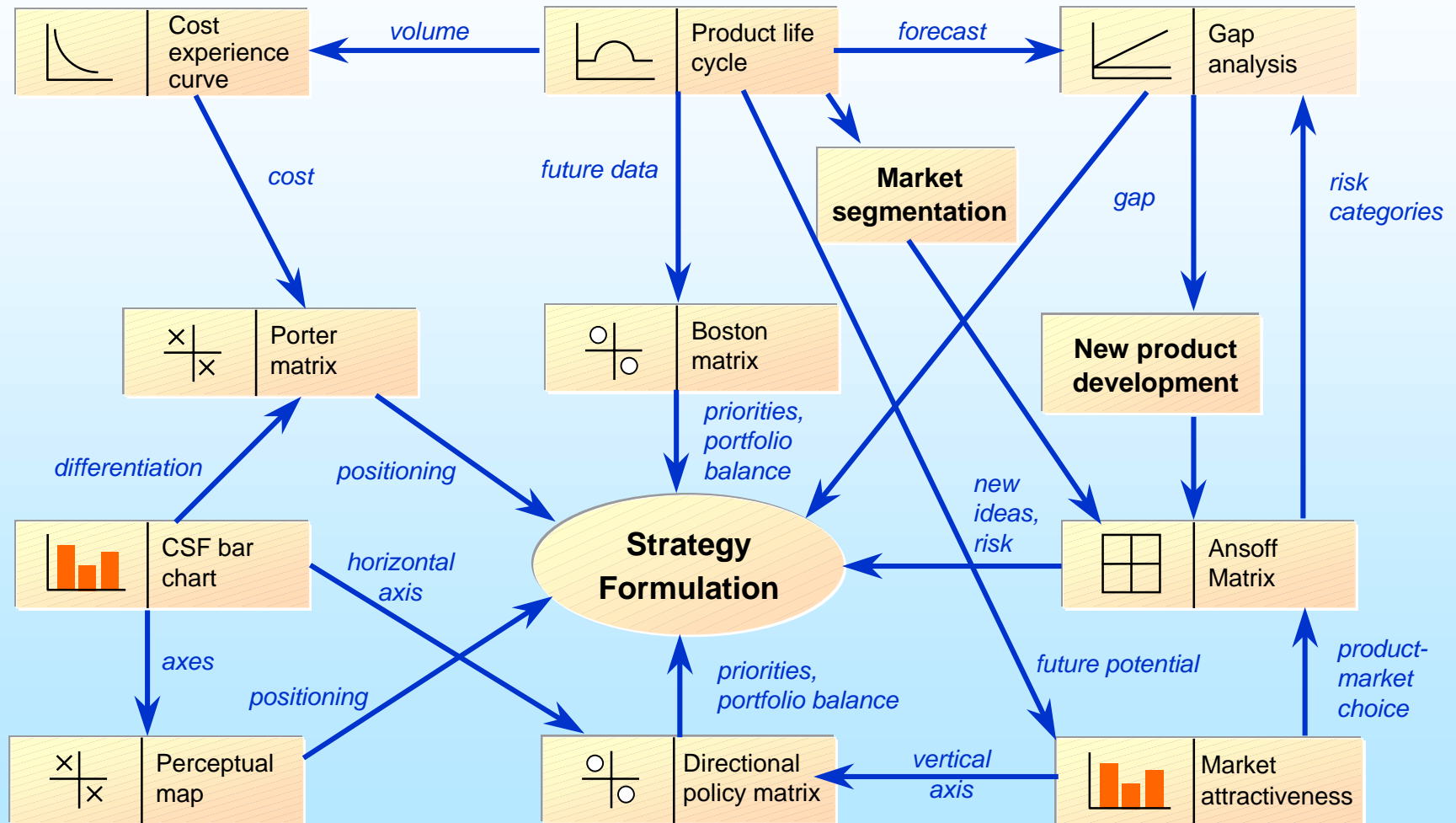
# Hierarchical decomposition of the tasks involved in producing a strategic marketing plan (1)



# Hierarchical decomposition of the tasks involved in producing a strategic marketing plan (2)



# Some major technique interrelationships used in strategic marketing planning



Key: provides x as input to