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# PART 4) Marketing planning and forecasting – strategies and plans

- Corporate, business and marketing strategies
  - Process of marketing strategic decisioning
  - Marketing planning
  - Components of marketing plan
  - Implementing and controlling of marketing plan
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# Why is marketing planning necessary?

- systematic thinking by management
  - better co-ordination of company efforts
  - development of better performance standards for control
  - sharpening of objectives and policies
  - better prepare for sudden new developments
  - managers have a vivid sense of participation
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# Criticisms of marketing planning

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- formal plans can be quickly overtaken by events
  - elements of the plan may be kept secret for no reason
  - gulf between senior managers and implementing managers
  - the plan needs a sub-scheme of actions
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# Marketing Planning in General

Match resources to  
market  
opportunities

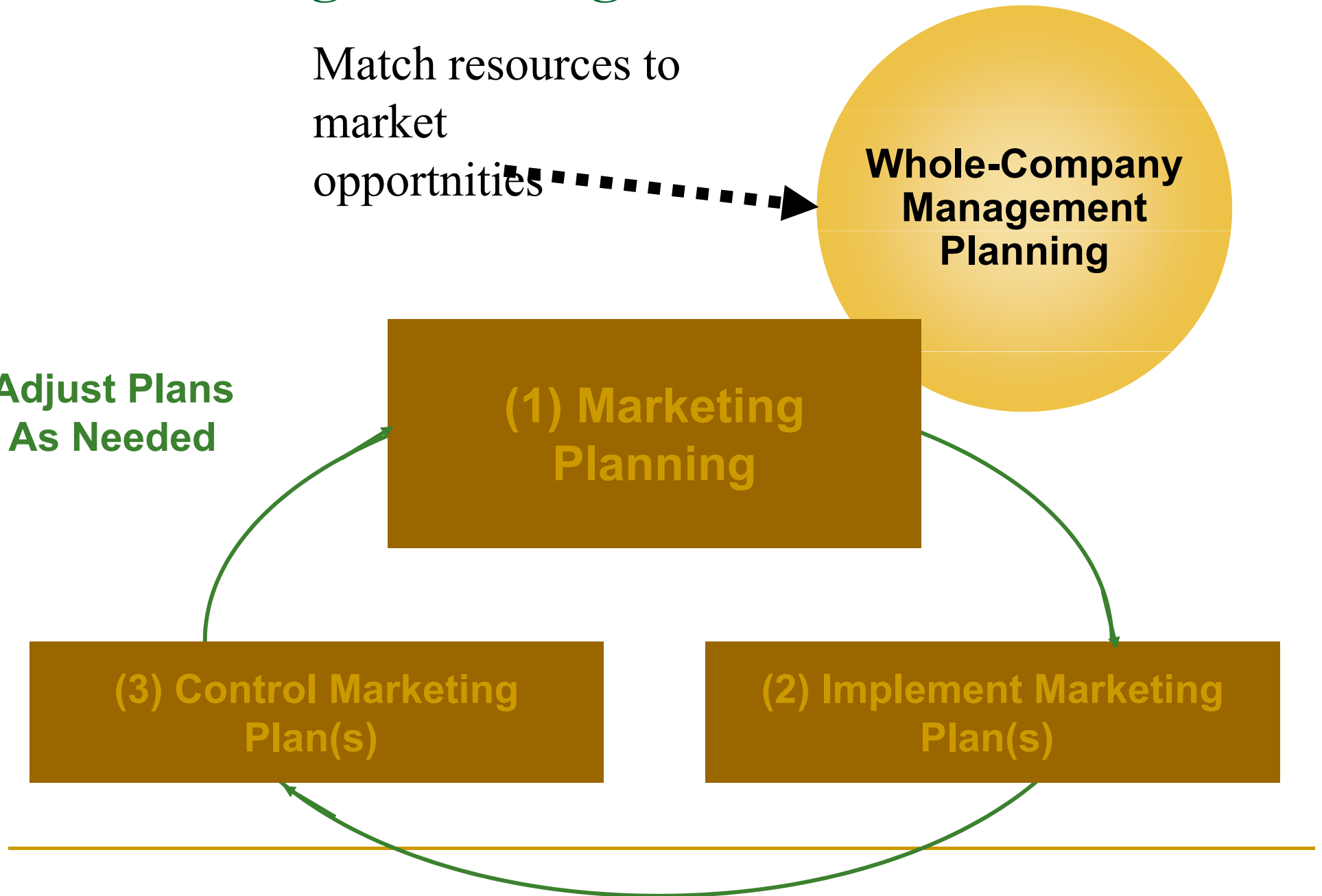
**Whole-Company  
Management  
Planning**

**Adjust Plans  
As Needed**

**(1) Marketing  
Planning**

**(3) Control Marketing  
Plan(s)**

**(2) Implement Marketing  
Plan(s)**



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# Strategic thinking - origins

- 70's in the USA – due to shock waves
  - oil crisis
  - double digit inflation
  - economic recession
  - tough Japanese competition
  - key sectors in economy deregulated
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# SBU (Strategic Business Unit)

- business unit within the overall corporate identity which is distinguishable from other business - large enough and homogeneous enough to exercise control over most strategic factors affecting their performance
- it serves a defined external market
- the competitors can be recognised
- responsible manager - managed as self contained planning unit

# WALMARK®

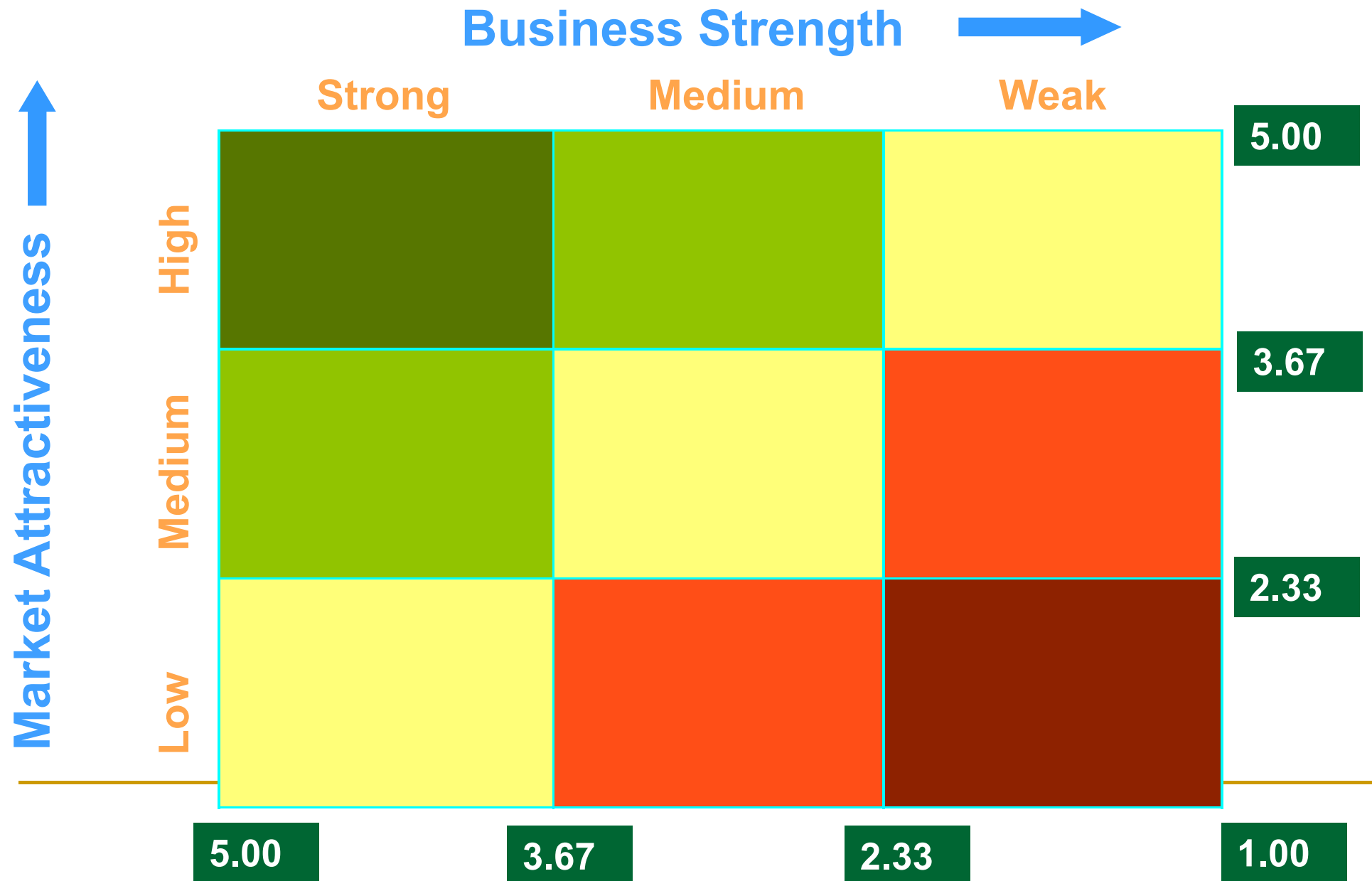
- WALMARK company was established in 1990
- it has extended its activities into multiple fields (foodstuffs and agriculture)
- strategic orientation at pharmacy: sale of the agricultural SBU in 2001 and the non-alcoholic beverage SBU in 2004
- fully concentrates now on the market of food complements, medicaments and food for sportsmen
- Pharmacy medicaments – at least 10 % of turnover
- Now – number one in food supplements in CZ, second in SK, HU
- By 2012 number one in central Europe





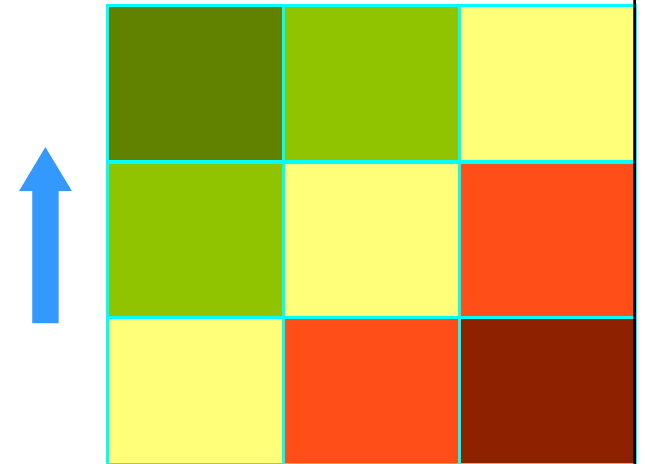


# GE (General Electric) Matrix



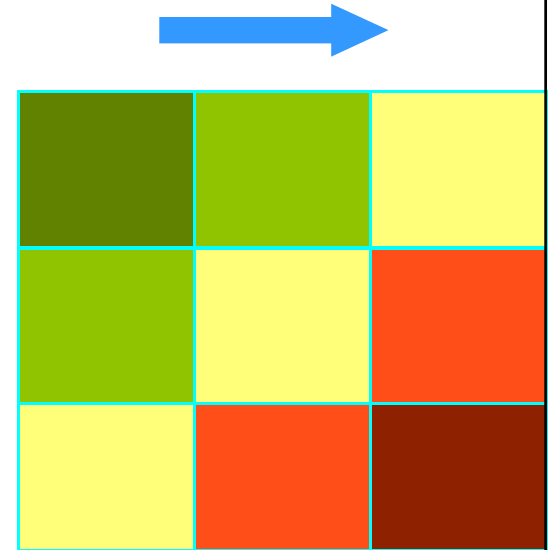
# Market Attractiveness

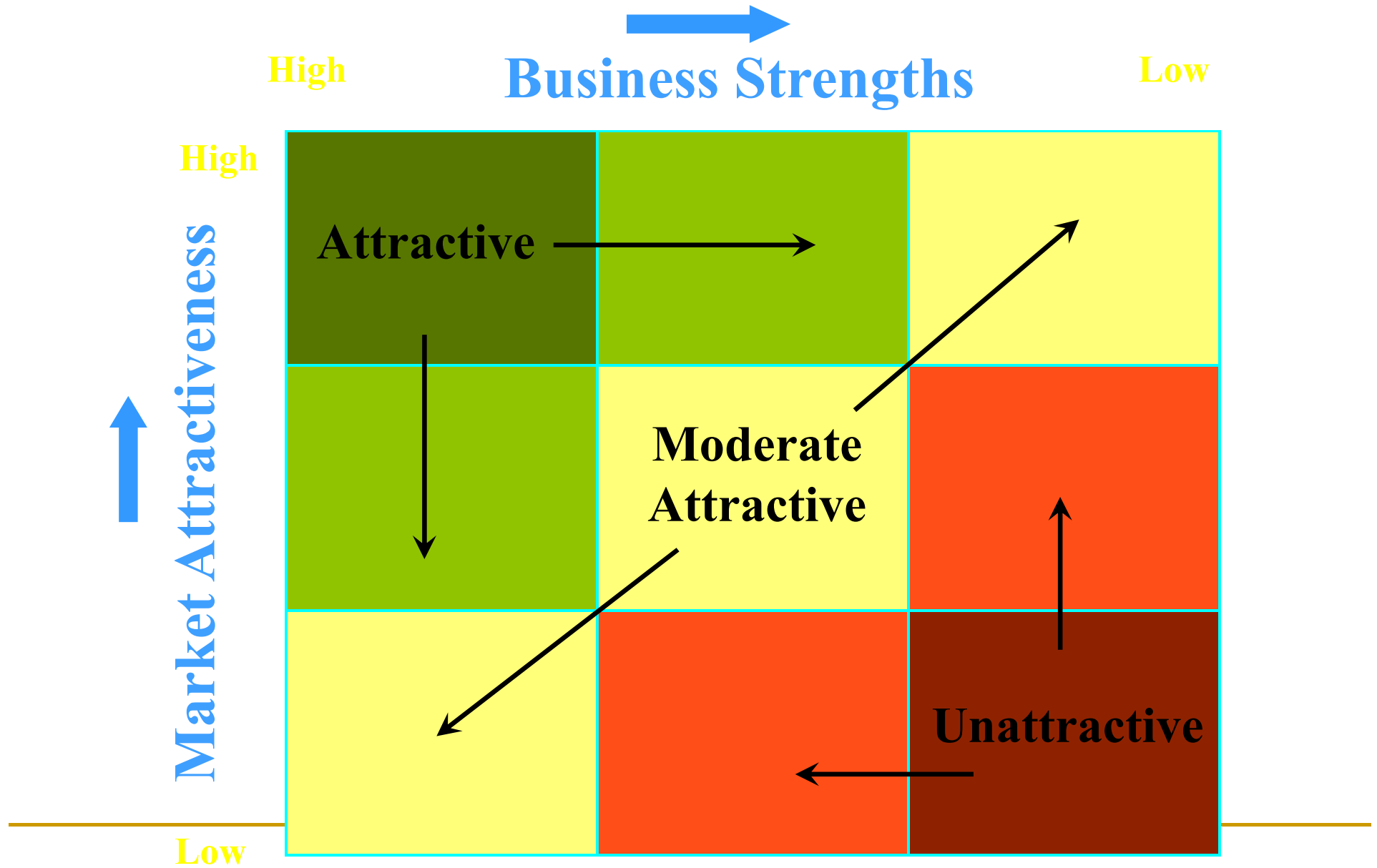
- Annual market growth rate
- Overall market size
- Historical profit margin
- Current size of market
- Market structure
- Market rivalry
- Demand variability
- Global opportunities



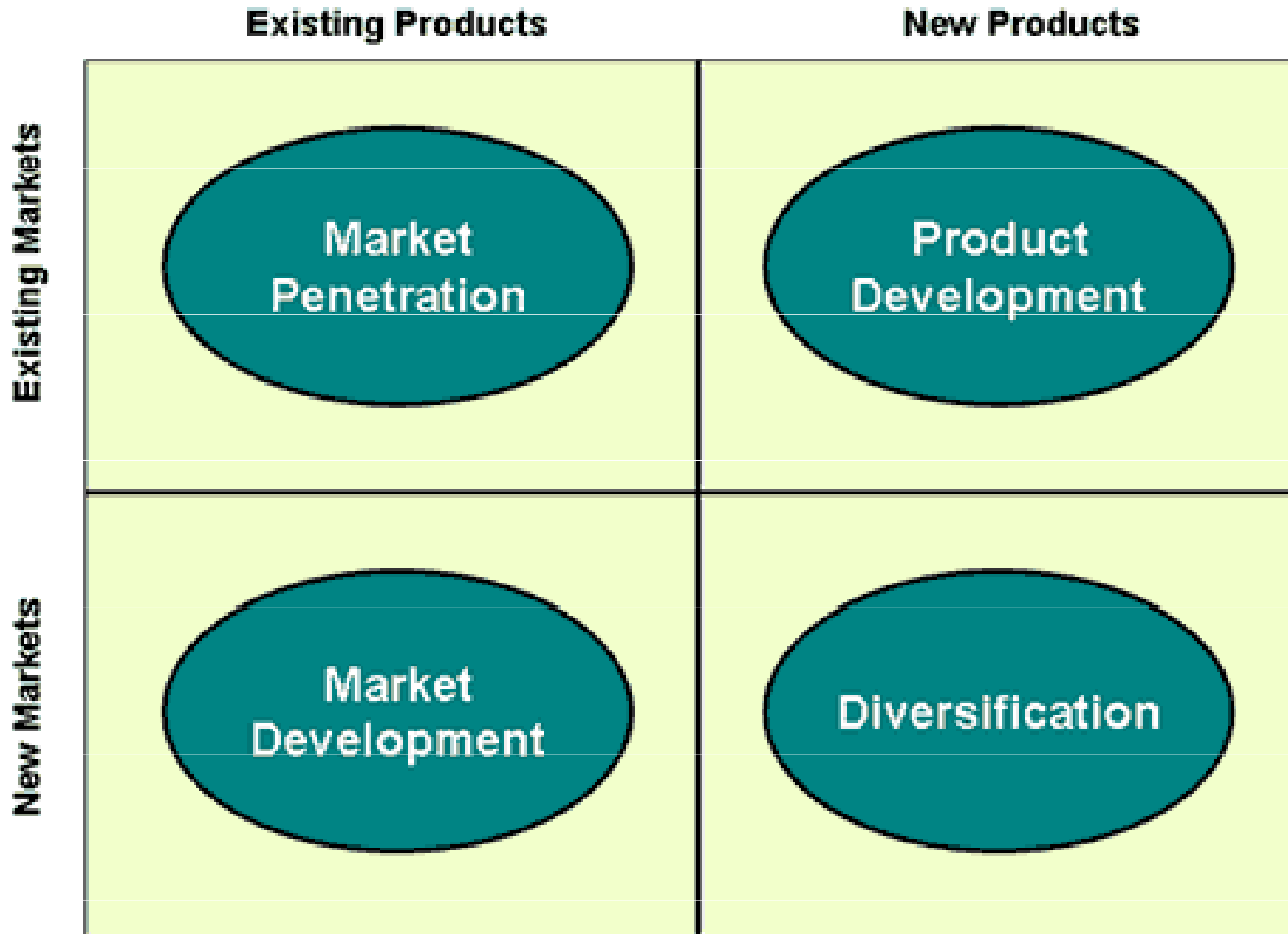
# Business Strenght

- **Current market share**
- **Brand image**
- **Brand equity**
- **Production capacity**
- **Corporate image**
- **Profit margins relative to competitors**
- **R & D performance**
- **Managerial personal**
- **Promotional effectiveness**





# Growth Matrix (Ansoff Matrix)



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- Assignment of responsibilities, tasks and timing
  - Awareness of problems, opportunities and threats
  - Essential marketing information may have been missing
  - if implementation is not carefully controlled by managers, the plan is worthless!
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# Marketing Plans

**Executive Summary**

**Current Marketing Situation**

**Threats and Opportunities**

**Objectives and Issues**

**Marketing Strategy**

**Action Programs**

**Budgets**

**Controls**

# Conclusion

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- Marketing planning – essential activity of any marketing manager
  - SBU – defined as autonomous unit
  - BCG, GE & Ansoff
  - Marketing plans
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