

## **MBA 610: Marketing Management**

— Winter 2014 —

### **LECTURE 3: Plans, Strategies & Tactics**

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In this session, we'll examine the marketing planning process, focusing specifically on strategic decisions. We'll talk about arriving at a "big insight" and "big idea" in preparation for your group project.

#### **By the end of this session, you should:**

- understand the difference between strategy and tactic
- appreciate the difficulty in making strategic choices and decisions and why these are needed
- understand the marketing planning process

#### **Your To-Do List for Next Lecture:**

1. Textbook: Read Chapter 6, then Chapter 4, optional: Chapter 7
2. Read "Better Customer Insight—in Real Time," by E. K. Macdonald, H. N. Wilson, U. Konus, Harvard Business Review, Sept 2012, pp102-108.
3. Read "Know What Your Customers Want Before They Do," by T. H. Davenport, L. D. Mule, J. Lucker, Harvard Business Review, Dec 2011, pp 84-92.
4. Your team should begin to tackle perform its Environment Scan.

#### **Thought Questions:**

1. Why are strategic choices and decisions oftentimes difficult to make? How does leadership play into this?
2. What is the relationship between strategy and objectives?
3. Why do big ideas and strategic choices fail sometimes to translate into success?
4. What can be done (or need to be done) to improve the likelihood that strategic choices and big ideas translate into success? How does marketing intelligence relate to the strategy development process?
5. Evaluation or control is often a neglected aspect of marketing planning, why? what impact can this have?

### **Review Questions:**

The following review questions are representative of the types of questions you might be facing on the mid-term and/or final exams.

1. What does the marketing planning process entail?
2. What are key principles involved in goal or objective formulation?
3. What do we mean by core business processes? How do they relate to success in marketing planning?
4. What are marketing metrics? what purpose(s) do they serve? what are examples of popular marketing metrics?
5. How might you assess the validity of a strategic choice/option?



This section contains a brief list of websites, publications titles and other resources that could add significant value to your MBA 610 experience. You need not explore each one in depth but you may want to familiarize yourself with the information these websites or publications have to offer.

<http://www.ipsos.ca> survey and marketing analysis provider Ipsos Canada

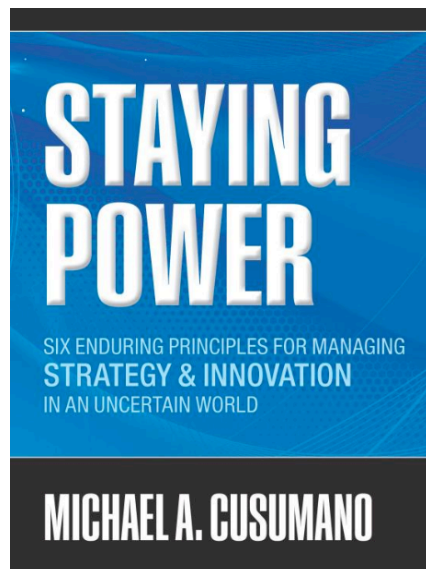
<http://asheepnomore.net/2013/12/29/40-maps-will-help-make-sense-world/>

<http://www.footwork.com> website of author and demographer David Foot

<http://www.ideationtriz.com> ideation consultants

<http://www.entrepreneur.com> useful source of inspiration for entrepreneurs

<http://www.strategicbusinessinsights.com/> example of one consulting company helping clients to develop strategic insight and to formulate strategies



Staying Power: Six Enduring Principles for Managing Strategy and Innovation in an Uncertain World by Michael A. Cusumano, 2010, Oxford University Press

## ***Understanding the economic impact***

By 2050 60+ will represent 22% of global population

<b>Working adults to 1 retiree</b>	
2001	10
2021	6
2051	3

## ***The tip of the iceberg***

Ads, Flyers,  
Websites,  
Promotions, etc.



Implementation

Control

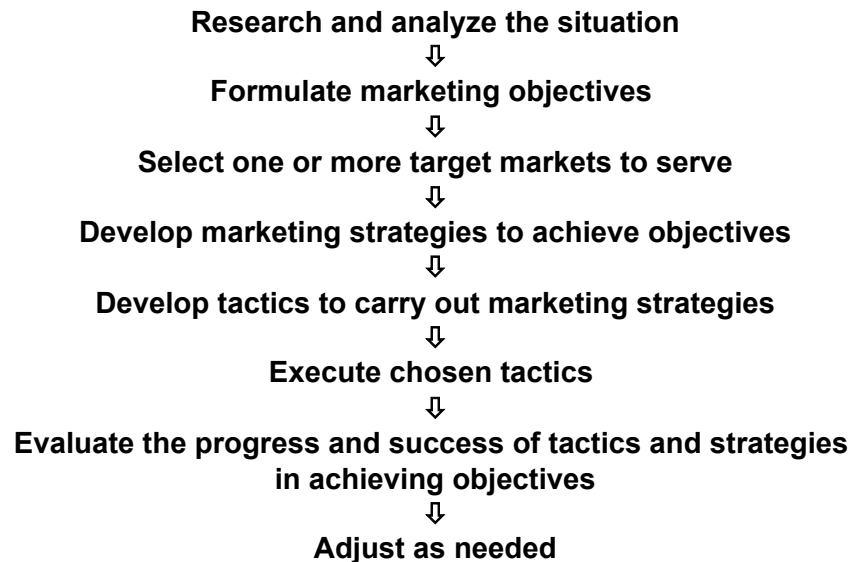
Tactics

Strategy

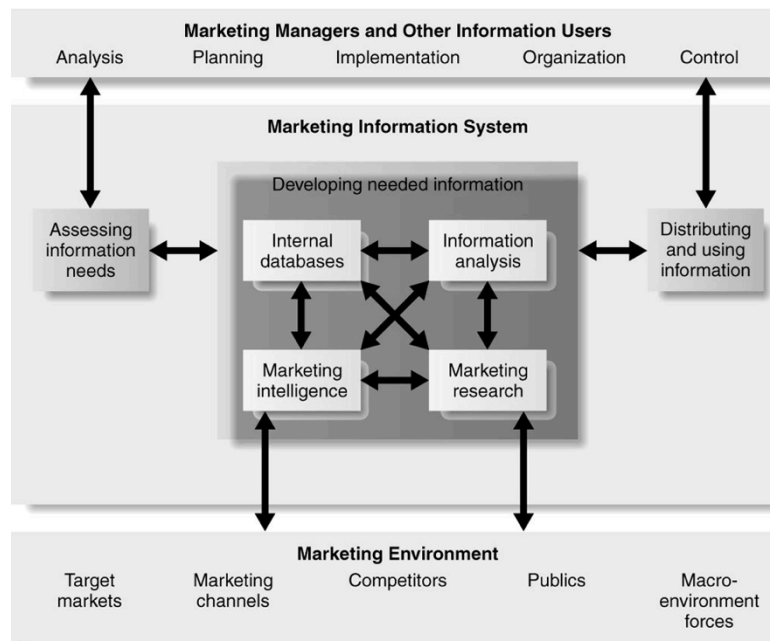
Marketing  
Objectives

Situation  
Analysis

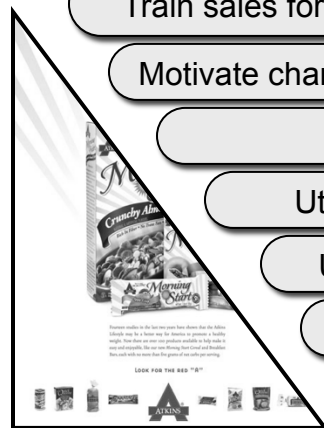
## ***The Marketing Planning Process***



## ***Marketing Information System***



### Steps to Improve Marketing Intelligence



Train sales force to scan for new developments

Motivate channel members to share intelligence

Network externally

Utilize a customer advisory panel

Utilize government data resources

Purchase information

Collect customer feedback online

<b>Tactic</b>	Run print ad in <i>The Voice</i> local newspaper
<b>Strategy</b>	Use local broadcast tools to reach target customers
<b>Objective</b>	Acquire 20 new customers by May 20
Activity	
<ul style="list-style-type: none"> <li>Call newspaper to inquire about ad sizes, rates, type and format of artwork needed, and due date for publication in the first Saturday in May <i>At Home</i> section.</li> <li>Ask about possibility of placing the ad in top right corner on page 2 of the section.</li> <li>Also ask about rates if ad is repeated a few times.</li> </ul>	Call by end of March.
<ul style="list-style-type: none"> <li>Find and brief a graphic artist to create and produce the ad. Request to see a rough draft before going into full production.</li> </ul>	No later than April 5.
<ul style="list-style-type: none"> <li>Get the required ad material to the newspaper on time.</li> </ul>	Date TBD as per step 1.
Controls	
<ol style="list-style-type: none"> <li>Were 20 new customers signed up by May 20?               <ol style="list-style-type: none"> <li>How many were signed up as a result of this ad?</li> <li>Need to ask new customers how they heard about my service.</li> </ol> </li> <li>Was the ad clear, well placed, and appropriate?               <ol style="list-style-type: none"> <li>Ask new customers what they thought about the ad.</li> <li>Get copies of the paper, show ad to existing customers and ask if they would recommend improvements.</li> </ol> </li> </ol>	



- Difficult choices
- Resource implications
- Fiduciary duty
- Requires vision & clear mission

### ***To put this in perspective***

- Context:
  - Regional mid-scale, family-oriented, chicken-focused, restaurant chain (franchised) with 52 units (47 in Qc, 5 in On) and 60+ yr history
- Objective:
  - Increase sales by 15% over the next 3 months
- Outline 3 strategies to achieve objective
- For each strategy, outline 2 tactics