



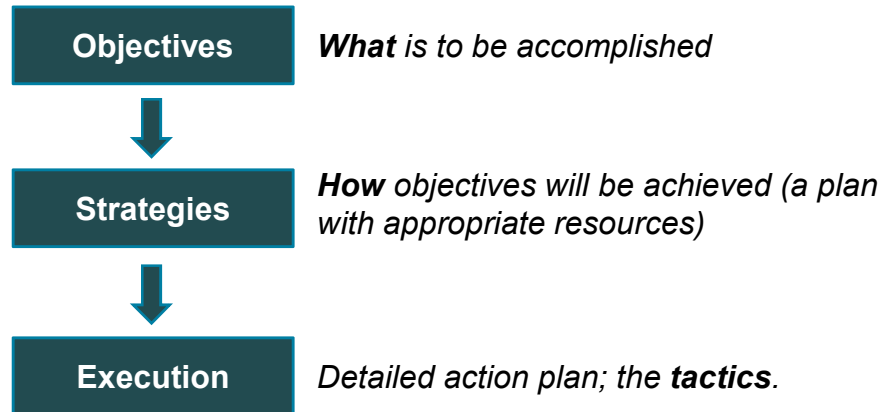
## Strategic Marketing Planning

### Chapter 3

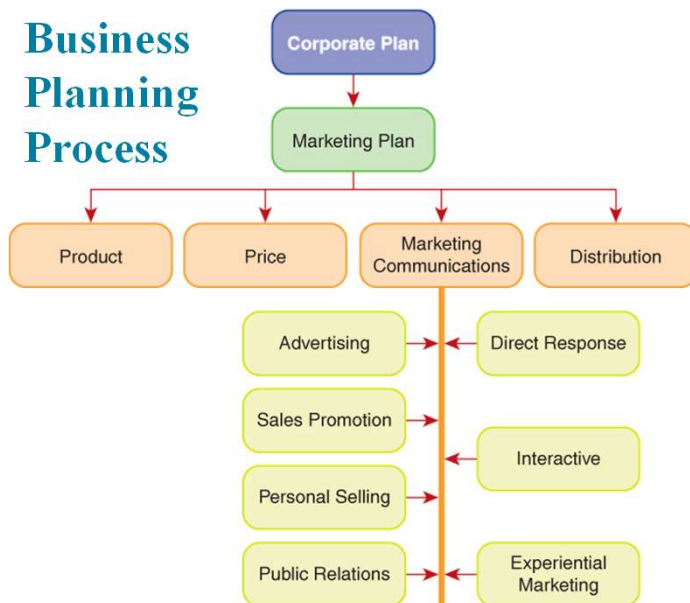
### Learning Objectives

1. Identify the key elements of strategic business planning.
2. Identify the nature of corporate planning and its impact on marketing planning.
3. Outline the process of creating a marketing plan.
4. Describe the content of a typical marketing plan
5. Describe fundamental marketing strategies employed by organizations
6. Explain the control and evaluation procedures used in marketing planning.

## Strategic Business Planning Variables



## Business Planning Process



**Figure 3.1** Business Planning Process: Marketing and Marketing Communications Orientation

## Mission and Vision of MEC (1 of 2)

**Figure 3.2** An Illustration of Mission and Vision Statements from MEC

<b>Mission</b>
We inspire and enable everyone to lead active outdoor lifestyles. We do that by selling outdoor gear, clothing and services. We match our members with gear that suits their needs. But we offer more than products, we offer passion. We love to share our expertise, experience, and enthusiasm.
<b>What guides us as we go</b>
<b>Quality</b>
We offer high-quality, high-performance products at very competitive prices.
<b>Integrity</b>
We listen carefully to one another. We deal in good faith. We are honest, fair, and ethical.
<b>Co-operation</b>
We understand the power of community and co-operative principles. We draw on the strength of people working together.
<b>Creativity</b>
We embrace original ideas and fresh ways of looking at the world. We draw on these to build and evolve our heritage.

## Mission and Vision of MEC (2 of 2)

**Figure 3.2** *Continued*

<b>Leadership</b>
We lead by example. We seek to motivate other individuals and organizations to act for people and the planet.
<b>Sustainability</b>
We work to make and market our products sustainably. We strive to build and operate our facilities with minimum ecological impact.
<b>Stewardship</b>
We act to preserve and restore wild places. We do so actively, consistently, and generously.
<b>Humanity</b>
We work actively to ensure those who make our products are treated with respect.
<b>Adventure</b>
We believe in living life to the fullest, with a spirit of adventure, a thirst for challenge, and a desire to learn.

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## Corporate Objectives

Statements of a company's overall **goals** that take their direction from the mission statement.

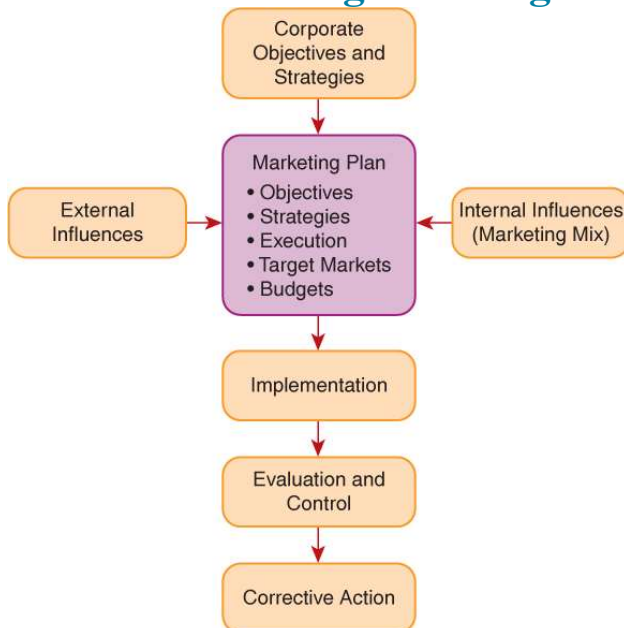
## Corporate Strategies

Plans outlining **how the objectives** are to be achieved.

Considers: marketing strength, degree of competition, financial resources, R&D capabilities, and commitment.

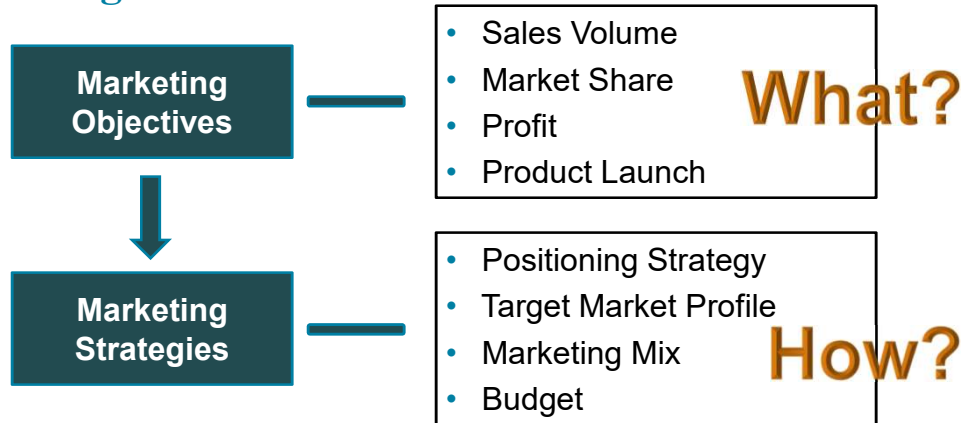
# S.M.A.R.T. Goals

## Marketing Planning Process



**Marketing plans** guide the activities of a brand or company.

## Marketing Plan



**S.M.A.R.T. Goals/Objectives?**

## Fundamental Marketing Strategies

	Existing Product	New Product
Existing Market	Market Penetration	Product Development
New Market	Market Development	Diversification

**Figure 3.11** Some Fundamental Marketing Strategies

## Marketing Plan - Background Situation Analysis

The collecting of information from knowledgeable people inside and outside the organization and from secondary sources

- **External Influences**
- **Market Analysis**
- **Product Analysis**
- **Competitive Analysis**
- **SWOT Analysis**

## EXERCISE: STRATEGY MATCH

Acquisition Strategy

Vertical Integration

Penetration

Horizontal Integration

New Products

Strategic Alliance

Divestment

## Penetration Strategy

A strategy that calls for aggressive and progressive action to achieve growth among existing products.

- *PepsiCo aggressively markets its key brands to ensure financial growth.*
- *PepsiCo's key brands include Pepsi-Cola, Diet Pepsi, Tropicana and Gatorade.*

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## Acquisition Strategy

A company acquires other companies that represent profitable opportunities.

- *Loblaws acquires Shoppers Drug Mart @ \$12.4B*
- *Canada Bread acquires bakery division of Saputo In., @ \$120M*

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## New Products Strategy

New products in new markets produce new revenue streams for a company.



**Figure 3.3** Hershey's new Reese's Spreads puts the brand into a new product category.

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## Vertical Integration Strategy

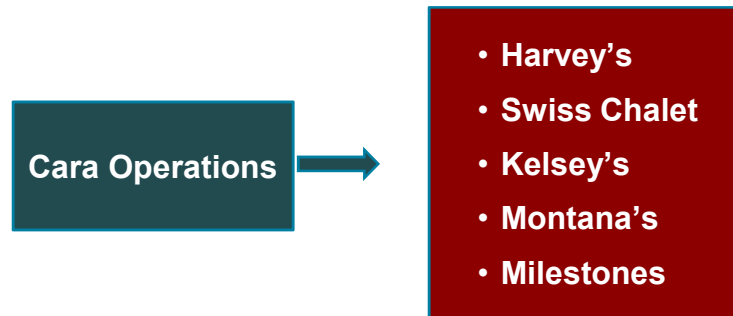
The company owns and operates businesses at different levels of the channel of distribution.

**Apple** manufactures computers and phones and markets them through its own retail stores in addition to independent dealer networks

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## Horizontal Integration Strategy

A corporation operates many companies at the same level of the channel.



*Cara offers different menus at different price points to reach different targets.*

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## Strategic Alliance

A relationship between two or more companies who decide to work together to achieve common goals.



**Figure 3.5** A strategic alliance between Chapters and Starbucks improves the shopping experience for Chapters customers and provides additional revenue for Starbucks.

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## Divestment Strategy

Removing an entire division of a company through sale or liquidation.

A company retreats to its core business by selling unprofitable divisions or brands that no longer fit strategically.

- *Sony closes all retail stores in Canada.*

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## Marketing Control Process

