Marketing management and strategies

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Abstract
Marketing management strategy is focused on the practical application of marketing techniques and the management of a firm's marketing resources and activities. Consumers claim to hate marketing - mostly, because they get too much unwanted marketing. In response, regulators develop medium-by-medium marketing suppression regulations. Unfortunately, these ad hoc solutions do little to satisfy consumers, and dynamic technologies and business practices quickly render them moot. Instead of continuing this cycle, there would be some benefit to developing a cross-media marketing regulatory scheme. However, any holistic solution must be predicated on a clear rationale for regulating marketing.

Marketing departments are addressing these imperatives by instituting an Enterprise Marketing Management strategy that aligns marketing staff, marketing process and marketing automation with the goals of the company. This paper reviews the applicability of marketing management to teen driving safety. It draws on a wide range of information, including evaluation studies of specific programs as well as standards of practice within these two professions. The paper attempts to distinguish it from the practice of commercial marketing management, whose goal is profit.

Introduction
Marketing management is a business discipline which is focused on the practical application of marketing techniques and the management of a firm's marketing resources and activities. Marketing managers are often responsible for influencing the level, timing, and composition of customer demand. In part, this is because the role of a marketing manager can vary significantly based on a business' size, corporate culture, and industry context. For example, in a large consumer products company, the marketing manager may act as the overall general manager of his or her assigned product From this perspective, the scope of marketing management is quite broad. The implication of such a definition is that any activity or resource the firm uses to acquire customers and manage the company's relationships with them is within the purview of marketing management. Additionally, the Kotler and Keller definition encompasses both the development of new products and services and their delivery to customers. Marketing expert Regis McKenna expressed a similar viewpoint in his influential 1991 *Harvard Business Review* article "Marketing is Everything." McKenna argued that because marketing management encompasses all factors that influence a company's ability to deliver value to customers, it must be "all-pervasive, part of everyone's job description, from the

receptionists to the Board of Directors. "For example, Volvo has traditionally positioned its products in the automobile market in North America in order to be perceived as the leader in "safety", whereas BMW has traditionally positioned its brand to be perceived as the leader in "performance."

Ideally, a firm's positioning can be maintained over a long period of time because the company possesses, or can develop, some form of sustainable competitive advantage.[1] The positioning should also be sufficiently relevant to the target segment such that it will drive the purchasing behavior of target customers.

A marketing strategy serves as the foundation of a marketing plan. A marketing plan contains a list of specific actions required to successfully implement a specific marketing strategy. An example of marketing strategy is as follows: "Use a low cost product to attract consumers. Once our organization, via our low cost product, has established a relationship with consumers, our organization will sell additional, higher-margin products and services that enhance the consumer's interaction with the low-cost product or service."

A strategy is different than a tactic. While it is possible to write a tactical marketing plan without a sound, well-considered strategy, it is not recommended. Without a sound marketing strategy, a marketing plan has no foundation. Marketing strategies serve as the fundamental underpinning of marketing plans designed to reach marketing objectives. It is important that these objectives have measurable results. A good marketing strategy should integrate an organization's marketing goals, policies, and action sequences (tactics) into a cohesive whole. The objective of a marketing strategy is to provide a foundation from which a tactical plan is developed. This allows the organization to carry out its mission effectively and efficiently. One used the following techniques to device the Marketing Strategy for the product/service:

Segmentation

Targeting

Positioning

Factors such as market penetration, market share, profit margins, budgets, financial analysis, capital investment, government actions, demographic changes, emerging technology and cultural trends are also addressed.

There are two major components to your marketing strategy:

- how your enterprise will address the competitive marketplace
- how you will implement and support your day to day operations.

In today's very competitive marketplace a strategy that insures a consistent approach to offering your product or service in a way that will outsell the competition is critical. However, in concert with defining the marketing strategy you must also have a well defined methodology for the day to day process of implementing it. It is of little value to have a strategy if you lack either the resources or the expertise to implement it.

In the process of creating a marketing strategy you must consider many factors. Of those many factors, some are more important than others. Because each strategy must address some unique considerations, it is not reasonable to identify 'every' important factor at a generic level. However, many are common to all marketing strategies. Some of the more critical are described below.

You begin the creation of your strategy by deciding what the overall objective of your enterprise should be. In general this falls into one of four categories:

- If the market is very attractive and your enterprise is one of the strongest in the industry you will want to invest your best resources in support of your offering.
- If the market is very attractive but your enterprise is one of the weaker ones in the industry you must concentrate on strengthening the enterprise, using your offering as a stepping stone toward this objective.
- If the market is not especially attractive, but your enterprise is one of the strongest in the industry then an effective marketing and sales effort for your offering will be good for generating near term profits.
- If the market is not especially attractive and your enterprise is one of the weaker ones in the industry you should promote this offering only if it supports a more profitable part of your business (for instance, if this segment completes a product line range) or if it absorbs some of the overhead costs of a more profitable segment. Otherwise, you should determine the most cost effective way to divest your enterprise of this offering.

Having selected the direction most beneficial for the overall interests of the enterprise, the next step is to choose a strategy for the offering that will be most effective in the market. This means choosing one of the following 'generic' strategies (first described by Michael Porter in his work, Competitive Advantage).

- A COST LEADERSHIP STRATEGY is based on the concept that you can produce and market a good quality product or service at a lower cost than your competitors. These low costs should translate to profit margins that are higher than the industry average. Some of the conditions that should exist to support a cost leadership strategy include an on-going availability of operating capital, good process engineering skills, close management of labor, products designed for ease of manufacturing and low cost distribution.
- A DIFFERENTIATION STRATEGY is one of creating a product or service that is perceived as being unique "throughout the industry". The emphasis can be on brand image, proprietary technology, special features, superior service, a strong distributor network or other aspects that might be specific to your industry. This uniqueness should also translate to profit margins that are higher than the industry average. In addition, some of the conditions that should exist to support a differentiation strategy include strong marketing abilities, effective product engineering, creative personnel, the ability to perform basic research and a good reputation.
- A FOCUS STRATEGY may be the most sophisticated of the generic strategies, in that it is a more 'intense' form of either the cost leadership or differentiation strategy. It is designed to address a "focused" segment of the marketplace, product form or cost management process and is usually employed when it isn't appropriate to attempt an 'across the board' application of cost leadership or differentiation. It is based on the concept of serving a particular target in such an exceptional manner, that others cannot

compete. Usually this means addressing a substantially smaller market segment than others in the industry, but because of minimal competition, profit margins can be very high.

The nature of the study

To define marketing management and strategy as a process that marketing managers execute. In a number of instances, a marketing manager does not manage people, but manages the marketing process. A product manager is an example of such a marketing manager; s/he manages the marketing process for a product within a larger marketing organization. We, as consumers, see the results of that process in the form of products, stores, shopping malls, advertisements, sales pitches, promotions, prices, etc. This process usually involves four phases.

Analysis

- Markets must be understood, and this understanding flows from analysis. Marketing managers spend weeks analyzing their markets before they undertake the development of marketing plans for influencing those markets.

Planning

- Once a market is understood, marketing programs and events must be designed for influencing the market's customers and consumers, and even the firm's competitors.

Execution

- The marketing events are executed in the markets: advertisements are run, prices are set, sales calls are made, etc.

Monitoring

- Markets are not static entities and thus must be monitored at all times. After events execute, they need to be evaluated. The planning assumptions upon which the upcoming events are based must be continually tested; they they are not longer true then the events may need modification.

Review of literature

By analyzing the Web’s marketing perspective, the Web can be also viewed as a commercial medium, offering a number of important benefits which can be examined at both the customer and company levels. Buyer benefits arise primarily from the structural characteristics of the medium and include availability of information, provision of search mechanisms, and online product trial. All of these can facilitate the purchase decision. From the very beginning these commercial characteristics of the Web were recognized as very important; “company benefits arise from the potential of the Web as a distribution channel, a medium mostly viewed as a marketing tool, and a market in and of itself” (Chatterjee, P. and Narasimhan, A. 1994). These efficiencies are associated with Web technology and the interactive nature of the medium.

The World Wide Web’s marketing advantage reinforces the idea that the company's relationship with the customer must take advantage of a key feature of the medium, namely interactive, and that such relationships must be updated continuously. The interactive nature of the Web is especially “favorable to relationship building and offers marketers new opportunities to create stronger brand identities which have the potential to translate to brand loyalty and final success" (Hoffman and Novak, July 1996).

The importance that the Web has for commercial brands can be seen though the rapid growth of demand for Web business presence through the registration domain name with Internic (Bosley, April 1996). This is the "www.companyname.com". From the Internic's statistics it can be seen that during the first 6 months of 1996 commercial domain names have increased over 139%. The Web creates for the enterprises a more prestigious and professional look. In the corporate world any company which has a Web site should have it's own domain name. It's easier for the people to remember a unique name as such than memorizing long url's of shared web addresses. It's similar to the vanity toll-free business numbers.

Methodology

In merchandise testing, a retail chain introduces new products at a small sample of selected stores prior to the primary season and uses the observed sales to forecast demand and develop a procurement plan for the products across the entire chain. Key questions in merchandise testing are which stores to use for the test and how to extrapolate from test sales to create a forecast of total season demand for each product for the chain. We describe a method for resolving these questions. To determine test stores, we cluster the stores of the chain based on the similarity of historically observed sales patterns and choose one test store from each cluster. We then use historical sales data to develop a regression formula that extrapolates from test sales to total season sales for the chain. We applied our method at a large retailer specializing in women's apparel, compared our method to the existing rules used by this retailer and found that compared to existing rules, it could improve forecasts and reduce markdowns due to excessive inventory and lost margins due to stock outs by enough to increase profits by 130%. In addition, the store clustering inherent to our method offers the potential to define chains within the larger chain, which could be managed separately and in a consistent manner in terms of product mix, timing of delivery, advertising message and sto Methodologically, marketing research uses the following types of research designs:

Based on questioning

Qualitative marketing research - generally used for exploratory purposes - small number of respondents - not generalizable to the whole population - statistical significance and confidence not calculated - examples include focus groups, in-depth interviews, and projective techniques

- **<u>Quantitative marketing research</u>** - generally used to draw conclusions - tests a specific hypothesis - uses random sampling techniques so as to infer from the sample to the population - involves a large number of respondents - examples include surveys and questionnaires. Techniques include choice modeling, maximum difference preference scaling, and covariance analysis.

Based on observations

Ethnographic studies -, by nature qualitative, the researcher observes social phenomena in their natural setting - observations can occur **cross-sectionally** (observations made at one time) or **longitudinally** (observations occur over several time-periods) - examples include product-use analysis and computer cookie traces. See also Ethnography and Observational techniques.

- **<u>Experimental techniques</u>** -, by nature quantitative, the researcher creates a quasi-artificial environment to try to control spurious factors, then manipulates at least one of the variables - examples include purchase laboratories and test markets

Researchers often use more than one research design. They may start with secondary research to get background information, then conduct a focus group (qualitative research design) to explore the issues. Finally they might do a full nation-wide survey (quantitative research design) in order to devise specific recommendations for the client.

Marketing objectives

A marketing plan must be created to meet clear objectives. Objectives guide marketing management actions and are used to measure how well a plan is working. These can be related to market share, sales, goals, reaching the target audience and creating awareness in the marketplace. The objectives communicate what marketeers want to achieve.

Long-term objectives are broken down into shorter-term measurable targets, which McDonald's uses as milestones along the way. Results can be analyzed regularly to see whether objectives are being met. This type of feedback allows the company to change plans. It gives flexibility.

Once marketing objectives are set the next stage is to define how they will be achieved. The marketing strategy is the statement of how objectives will be delivered. It explains what marketing actions and resources will be used and how they will work together.

Customer focus

Many companies today have a customer focus (or market orientation). This implies that the company focuses its activities and products on consumer demands. Generally there are three ways of doing this: the customer-driven approach, the sense of identifying market changes and the product innovation approach. In the consumer-driven approach, consumer wants are the drivers of all strategic marketing decisions. No strategy is pursued until it passes the test of consumer research. Every aspect of a market offering, including the nature of the product itself, is driven by the needs of potential consumers. The starting point is always the consumer. The rationale for this approach is that there is no point spending R&D funds developing products that people will not buy. History attests to many products that were commercial failures in spite of being technological breakthroughs.

A formal approach to this customer-focused marketing is known as SIVA (Solution, Information, Value, Access). This system is basically the four Ps renamed and reworded to provide a customer focus. The SIVA Model provides a demand/customer centric version alternative to the well-known 4Ps supply side model (product, price, place, promotion) of marketing management.

Figure .1

Product → Solution

Promotion → Information

Price → Value

Place → Access

The four elements of the SIVA model are:

1. Solution: How appropriate is the solution to the customer's problem/need?
2. Information: Does the customer know about the solution? If so, how and from whom do they know enough to let them make a buying decision?
3. Value: Does the customer know the value of the transaction, what it will cost, what are the benefits, what might they have to sacrifice, what will be their reward?
4. Access: Where can the customer find the solution? How easily/locally/remotely can they buy it and take delivery?

The model focuses heavily on the customer and how they view the transaction.

Implementation of planning

The Marketing Metrics Continuum provides a framework for how to categorize metrics from the tactical to strategic. After the firm's strategic objectives have been identified, the target market selected, and the desired positioning for the company, product or brand has been determined, marketing managers focus on how to best implement the chosen strategy. Traditionally, this has involved implementation planning across the "4Ps" of marketing: Product management, Pricing, Place (i.e. sales and distribution channels), and Promotion.

Taken together, the company's implementation choices across the 4Ps are often described as the marketing mix, meaning the mix of elements the business will employ to "go to market" and execute the marketing strategy. The overall goal for the marketing mix is to consistently deliver a compelling value proposition that reinforces the firm's chosen positioning, builds customer loyalty and brand equity among target customers, and achieves the firm's marketing and financial objectives.

In many cases, marketing management will develop a marketing plan to specify how the company will execute the chosen strategy and achieve the business' objectives. The content of marketing plans varies from firm to firm, but commonly includes:

- An executive summary
- Situation analysis to summarize facts and insights gained from market research and marketing analysis
- The company's mission statement or long-term strategic vision
- A statement of the company's key objectives, often subdivided into marketing objectives and financial objectives

- The marketing strategy the business has chosen, specifying the target segments to be pursued and the competitive positioning to be achieved
- Implementation choices for each element of the marketing mix (the 4Ps)

Project, process, and vendor management

Once the key implementation initiatives have been identified, marketing managers work to oversee the execution of the marketing plan. Marketing executives may therefore manage any number of specific projects, such as sales force management initiatives, product development efforts, channel marketing programs and the execution of public relations and advertising campaigns. Marketers use a variety of project management techniques to ensure projects achieve their objectives while keeping to established schedules and budgets.

More broadly, marketing managers work to design and improve the effectiveness of core marketing processes, such as new product development, brand management, marketing communications, and pricing. Marketers may employ the tools of business process reengineering to ensure these processes are properly designed, and use a variety of process management techniques to keep them operating smoothly.

Effective execution may require management of both internal resources and a variety of external vendors and service providers, such as the firm's advertising agency. Marketers may therefore coordinate with the company's Purchasing department on the procurement of these services.

Organizational management and leadership

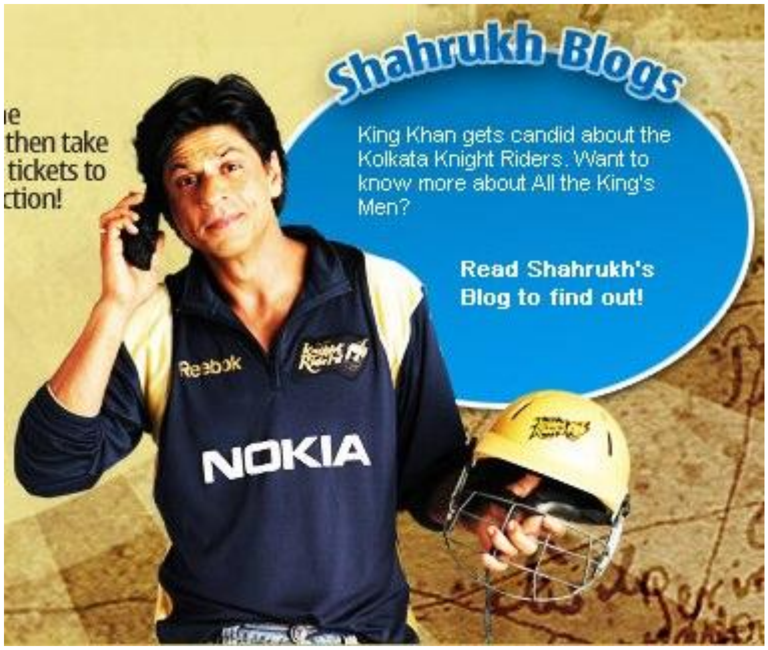
Marketing management usually requires leadership of a department or group of professionals engaged in marketing activities. Often, this oversight will extend beyond the company's marketing department itself, requiring the marketing manager to provide cross-functional leadership for various marketing activities. This may require extensive interaction with the human resources department on issues such as recruiting, training, leadership development, performance appraisals, compensation, and other topics.

Marketing management may spend a fair amount of time building or maintaining a marketing orientation for the business. Achieving a market orientation, also known as "customer focus" or the "marketing concept", requires building consensus at the senior management level and then driving customer focus down into the organization. Cultural barriers may exist in a given business unit or functional area that the marketing manager must address in order to achieve this goal. Additionally, marketing executives often act as a "brand champion" and work to enforce corporate identity standards across the enterprise.

In larger organizations, especially those with multiple business units, top marketing managers may need to coordinate across several marketing departments and also resources from finance, research and development, engineering, operations, manufacturing, or other functional areas to implement the marketing plan. In order to effectively manage these resources, marketing executives may need to spend much of their time focused on political issues and inte-departmental negotiations.

The effectiveness of a marketing manager may therefore depend on his or her ability to make the internal "sale" of various marketing programs equally as much as the external customer's reaction to such programs.

Figure .2



Limitations

The limitation of study will be limited to where your marketing messages are placed (advertisements) and how your sales departments interact with business clients. While mass marketing works for many businesses in the consumer market, the business market is a far more targeted sector with many industries that relate to one another in a different fashion. There is a greater emphasis on building professional relationships with business clients that require constant communication far after a purchase has been made.

In short, target marketing and personal marketing are the main succeeding traits of a economy. Mass advertising however was recently done in the Super Bowl for the company SalesGenie.com so it may very well be that mass marketing is coming and reducing the limitations to marketing.

Direction for future research

The paper presents an overview of a new approach to marketing—one that seeks to maximize customer equity by managing the customer asset. Using a resource-based view, the article provides a framework for approaching marketing through the lens of the customer asset. The study proposes that the ability to acquire, manage, and model customer information is a key asset of the firm that can be a source of sustained advantage. Challenges to the implementation of this approach and the changes that the approach necessitates in marketing strategy are discussed. The study proposes several areas for future research in the area of customer equity and management of the customer asset.

Discussions and conclusion

Marketing approaches to leisure products and services, using a marketing plan, will increase the probability of success in both public and private sectors. The marketing approach ensures that when a product or service is made available to the customer, it has been planned, designed, packaged, promoted and delivered in such a manner that the customer is not only persuaded to buy, but also to repeat the experience as often as possible. While impulse buying like attending an event or 'having a go' are important repeat visits and repeat buying of the leisure experience are even more important. People get 'hooked' on products. Once caught with the bug of pottery, painting, jazz, playing golf, fitness, squash, snooker, sauna bathing or yoga, we are anxious to participate even more. Impulse buying may attract people but this needs to be capitalized on, for few-found satisfying experiences want to be bought again and again. They become habit-forming.

Global equations are changing so fast. The global scenario has seen an economic roller coaster ride in few months. There are so many effects which affected global scenario. The culmination of anomalies of the past into the system has made all this happen. The debate is not how and who started it, the fact is that it has happened and it is there to stay. The dimensions of world super economic power changed overnight but victory of Mr. Barrack Obama as the first black President of USA again changed the acceptance level and the dimensions of world. Tata, Birla, Ambani and Mittal combine changed the image of India in business world. These businessmen know about marketing management and strategies. They followed marketing strategies effectively and remained successful and on the other hand Mr. Raju Lingam of Satyam was a person, who didn't follow good marketing management, starategies and corporate governance. As a result Satyam lost its goodwill. Its share falls badly in share market. Ranbaxy turning into prey of Diatchaii, The lust for financial returns made the Indian Enron that is Satyam plunge into a whole. These are just few latest happenings from changing global scenario.

Harnessing the power of customer insights throughout your organization produces a powerful, ongoing interactive connection with key constituents that competitors can't duplicate. Beyond the clever words and attention-getting visuals, the connection with the customer truly engages. When the product has been reviewed, when the ad is over, it's the feeling that remains that makes the sale and keeps the customer. If your marketing is based on customer insights, it's likely that your customers are going to feel understood—and therefore good about themselves. That's the feeling that will build the brand and drive sales.

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