

CHAPTER II

MARKETING PLAN, IMPLEMENTATION AND EVALUATION

1. Introduction

Alice: "Would you tell me, please, which way I ought to go from here?"

Cat: "That depends a good deal on where you want to get to."

Alice: "I don't much care where."

Cat: "Then it doesn't matter which way you go."

Alice: " So long as I get somewhere."

Cat: " Oh, you're sure to do that if you only walk long enough."

Lewis Carroll - Alice's Adventures in Wonderland.

Unlike Alice, marketing planners must know where they want to get to in order to deploy limited resources and employ the best efforts for the most profitable results. The road that a business chooses to travel in the future cannot materialize from wishful thinking, but will result from objective, knowledgeable, and well-organized judgements about the futurity of its current decisions.

2. Peter Drucker sums up:

"The future will not just happen if one wishes hard enough. It requires decisions - now. It imposes risk - now. It requires action - now. It demands allocation of resources, and above all, of human resources - now. It requires work - now."

Marketing

3. Marketing is about which way to go and how to get there. It has become an important part of business and yet it is extremely difficult to define exactly what it is. There are many ways to define marketing.

4. Marketing, as defined by the American Marketing Association's Board of Directors, is:

"The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives."

5. Philip Kotler, in his book entitled "Marketing Management: Analysis, Planning and Control", defines marketing, as the social process by which individuals and groups obtain what they need and want through creating and exchanging, products and value with others."
6. Hugh Davidson, in his book "Offensive Marketing or How to make your Competitors Follow", says: "Marketing, is the process of balancing the company needs for profit against the benefits required by consumers, so as to maximize long-term earnings per share" and "Marketing, is a philosophy and a method of achieving corporate financial objectives."

Strategic planning

7. Planning does not ensure successful performance, but it provides disciplined appraisal, goal setting, and action steps to maximize success. It is a predetermined application of resources for their most profitable use. A marketing plan is an organized thought process and communication system.
8. Strategic planning is vital to steer a company on course. It enables a company to gain a competitive edge by strategically positioning the company in the right markets at the right time, securing rapid and profitable growth during good times or survival in bad times until you can catch the next upswing in the business cycle. Strategic planning is the best vehicle you have to get where you want to go. It gives you a clear vision and direction.
9. Some managers wonder what the difference is between a strategic plan and a business plan. The easiest way to distinguish one from the other is to think of one as general (the strategic plan) and the other specific (the business plan). The strategic plan deals with the whole company

while the business plan deals with detailed implementation of one specific aspect of the strategic plan.

10. A strategic plan is concerned with the entire company: what it produces, where it competes and how it allocates resources. It deals with fundamental choices that will affect the entire organization - choices about the future.
11. Business plans are concerned with the details of implementation after the big strategic choices are made: you first need to decide where you want to go and how you are going to get there. Business plans, therefore, are involved in the last stage of strategic planning: the implementation process.

Implementation

12. A plan is nothing, unless it translates into work. Implementation is the most important part of the whole planning process. There is no point in going through all the effort to create a vision, establish objectives, set goals and devise strategies if you fail to implement the corporate plan inside your company. If the plan is not successfully implemented most of the preparatory work will have been wasted.
13. PA Consultants estimated that over 95 per cent of all strategies designed in the late 1970s and early 1980s were never fully or effectively implemented.
14. Corporate culture is "the way people do things around here". It is a source of motivation and demotivation, of satisfaction and dissatisfaction. It can be a positive tool for competitive advantage or a barrier to change. It is important to develop a clear, positive corporate culture.
15. There are five competing concepts in conducting marketing activities:
 - (a) Production concept

The production concept holds that consumers will favour those products that are widely available and low in cost. Management in production-oriented organizations concentrates on achieving high production efficiency and wide distribution coverage.

(b) Product concept

The product concept holds that consumers will favour those products that offer the most quality, performance and features. Management in these product-oriented organizations focus their energy on making good products and improving them over time.

(c) Selling concept

The selling concept holds that consumers, if left alone, will ordinarily not buy enough of the organization's products. The organization must therefore undertake an aggressive selling and promotion effort.

(d) Marketing concept

The marketing concept holds that the key to achieving organizational goals consists in determining the needs and wants of target markets and delivering the desired satisfaction more effectively and efficiently than competitors.

(e) Social marketing concept

The social marketing concept holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfactions more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and the society's well-being.

16. Export credit insurance is not simply a tool for protection. It provides a comprehensive range of credit management services. Good customer service is of paramount importance.

17. Implementation is the process to convert strategies into realities. It is said to be the sternest test of management's ability to lead and manage. It involves the following important elements:

1. Leadership
2. Communications
3. Action plans
4. Budget
5. Timetables
6. Reviews

Feedback loop

18. Information is important in ensuring the implementation process is on track and, where necessary, appropriate corrective actions are taken. The feedback loop of channelling external reactions and responses to the company is necessary in the implementation and evaluation procedures. Marketing staff should look out for and even ask for feedback on the company's performance. Critical comments provide opportunities to improve performance.
19. Ten most frequently encountered problems in implementation are:
- (a) Implementation took more time than originally allocated
 - (b) Major problems surfaced which were not identified beforehand
 - (c) Coordination of activities were not effective enough
 - (d) Competing, activities and crises distracted attention
 - (e) Employee capabilities were insufficient
 - (f) Inadequate training and instruction for employees
 - (g) Uncontrollable external factors
 - (h) Inadequate leadership and direction by department managers
 - (i) Key tasks and activities were not defined in enough detail
 - G) Inadequate information systems for monitoring
20. Three main reasons for failures in implementation of marketing plan:
- (a) the company failed to set objectives correctly
 - (b) the company failed to modify objectives in the light of changing experience; and
 - (c) the company failed to execute the necessary actions

Control

21. Three types of marketing control:

- (a) Annual-plan control
- (b) Profitability control
- (c) Strategic control

22. Annual plan control is the task of making sure that the company is achieving the sales, profits and other goals that it has established in the annual marketing plan:

- (a) setting, well-defined goals for each month, quarter or other accounting period;
- (b) measuring its on-going performance;
- (c) determining the underlying causes of any serious gaps in performance;
- (d) deciding on the best corrective action to take to close the gaps between goals and performance.

23. Companies also need to analyze periodically the actual profitability of their different insurance facilities. Marketing profitability analysis can be used to measure the profitability of different marketing activities. Marketing efficiency studies might also be undertaken to show how various marketing activities could be carried on more efficiently.

24. From time to time, the company must stand back and critically examine its overall marketing plan and decide whether it continues to make good strategic sense. Marketing, is one of the major areas where repaid obsolescence of objectives, policies, strategies and programs is a common possibility.

25. Through these systems, the company monitors and adapts to the marketing environment. The company takes the factors and forces in the marketing environment into account in developing strategy and positioning itself strategically in the target market.

Strategic planning process

27. The whole planning implementation and control process is:

