

CHULALONGKORN BUSINESS SCHOOL





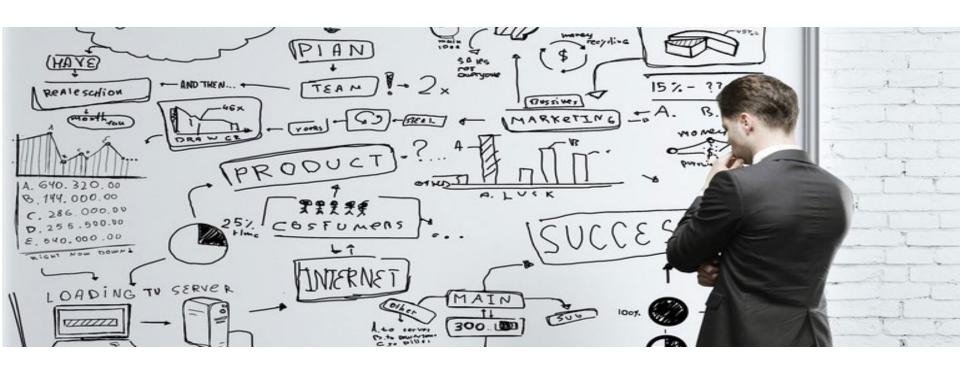
FLAGSHIP FOR LIFE

Marketing Strategies and Planning

Dr. Danupol Hoonsopon, DBA.

Department of Marketing
Chulalongkorn Business School

Strategic Planning



The process of developing and maintaining a strategic fit between the organization's goals and capabilities and its changing marketing opportunities

Steps in Strategic Marketing Plan

Defining Vision & Mission

Situation Analysis

Setting Market Objective

Marketing Strategy (STP)

Marketing Mix

Marketing Evaluation

Vision Statement

"A vision statement <u>paints a picture of a</u> <u>desired future</u> state that your company aspires to achieve"



A good company vision should inspire people in your company, giving them both direction and purpose.







THE BEST WAY
TO SURVIVE A CRASH
IS NOT TO CRASH







Mission Statement

Questions the mission statement should answer include

- 1. What is our business?
- 2. Who is our customer?
- 3. What do consumers value?
- 4. What **should** our business be?



Mission Statement







"Offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them"

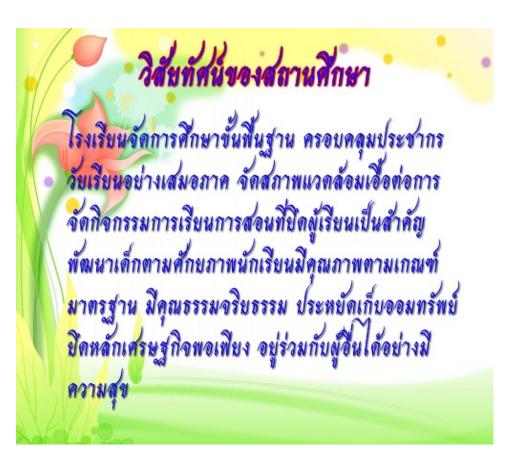




Each day, more than 800 million men around the world trust their faces and skin to Gillette's innovative razors and shaving products. <u>All designed for the unique needs of men – helping them to look, feel and be their best every day</u>.

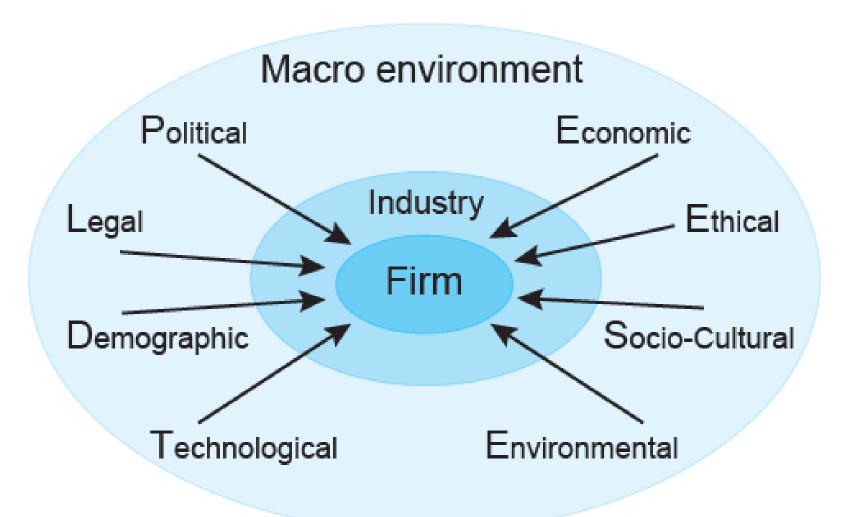
PROGLIDE

Vision & Mission Statement



"Vision, mission and values statements that are alive for people – not just words on a posters in your building's hallways"

Situation Analysis



Situation Analysis

SWOT ANALYSIS



The SWOT analysis provides information that is helpful in *matching the firm's* resources and capabilities to the competitive environment in which it operates.

McDonalds SWOT Analysis 2013



- Largest fast food market share in the world
- Brand recognition valued at \$40 billion
- \$2 billion advertising budget
- Locally adapted food menus
- Partnerships with best brands

Weaknesses

- Negative publicity
- Unhealthy food menu
- Mac Job and high employee turnover
- Low differentiation

Opportunities

- Increasing demand for healthier food
- Home meal delivery
- Full adaptation of its new practices
- Changing customer habits and new customer groups

Threats

- Saturated fast food markets in the developed economies
- Trend towards healthy eating
- Local fast food restaurant chains
- Currency fluctuations
- Lawsuits against McDonald's

PepsiCo SWOT Analysis 2013

Strengths

- Product diversity
- Extensive distribution channel
- Corporate Social Responsibility (CSR) projects
- Competency in mergers and acquisitions
- Successful marketing and advertising campaigns
- Complementary product sales

Weaknesses

- Questionable practices (using tap water but labeling it as mountain spring water)
- Much weaker brand awareness and market share in the world beverage market compared to Coca-Cola
- Too low net profit margin

Opportunities

- Growing beverages and snacks consumption in emerging markets (especially BRIC)
- Increasing demand for healthy food and beverages
- Further expansion through acquisitions
- Bottled water consumption growth
- Savory snacks consumption growth

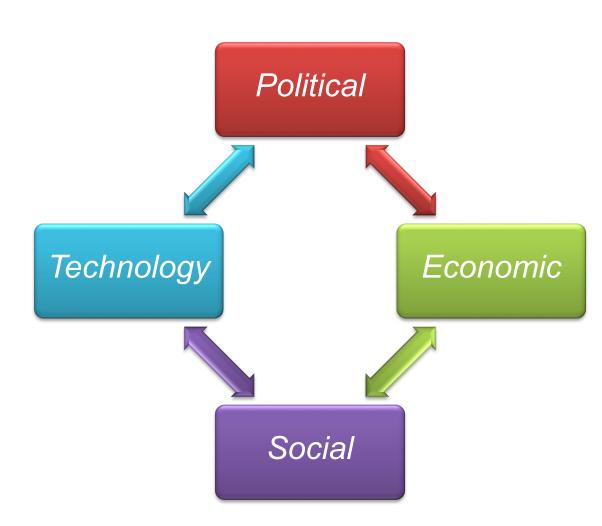
Threats

- Changes in consumer tastes
- Water scarcity
- Decreasing gross profit margin
- Legal requirements to disclose negative information on product labels

http://www.strategicmanagementinsight.com/swot-analyses/pepsico-swot-analysis.html

Situation Analysis

The acronym PEST is used to describe a framework for the analysis of these macroenvironmental factors.



http://www.strategicmanagementinsight.com/tools/pest-pestel-analysis.html

Political Factors

- Government stability and likely changes
- Tax policy (rates and incentives)
- Regulation/de-regulation
- Trade control
- Import restrictions (quality and quantity)
- Competition regulation
- Environmental Law

- Education law
- Discrimination law
- Copyright, patents / Intellectual property law
- Consumer protection and Employment law
- Health and safety law
- Laws regulating environment pollution

Economic Factors

- Growth rates
- Inflation rate
- Interest rates
- Exchange rates
- Unemployment trends
- Labor costs
- Credit availability

- Trade flows and patterns
- Level of consumers' disposable income
- Monetary & fiscal policies
- Price fluctuations
- Weather
- Climate change

Social Factors

- Health consciousness
- Education level
- Attitudes toward imported goods and services
- Attitudes toward work, leisure, career and retirement
- Attitudes toward product quality and customer service
- Attitudes toward saving and investing
- Lifestyles
- Buying habits

- Religion and beliefs
- Attitudes toward "green" or ecological products
- Population growth rate
- Age distribution and life expectancy rates
- Sex distribution
- Average disposable income level
- Social classes
- Family size and structure
- Minorities

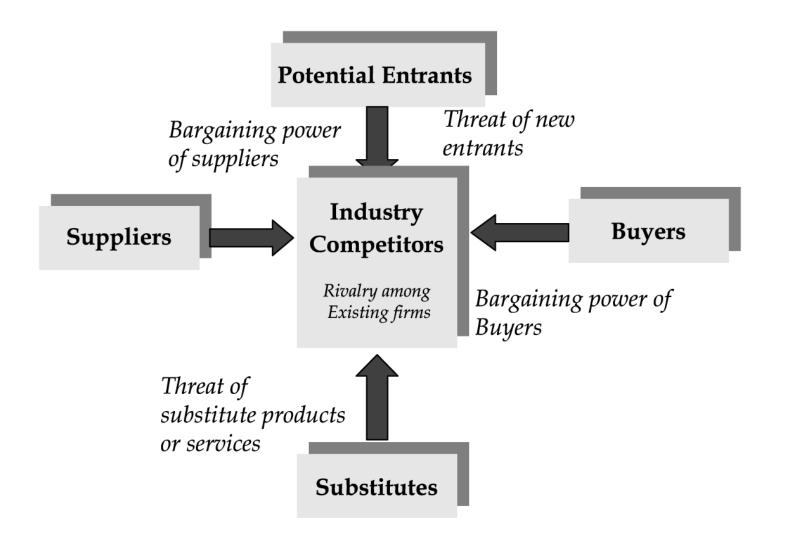
Technology Factors

- Basic infrastructure level
- Rate of technological change
- Spending on research & development
- Technology incentives
- Legislation regarding technology

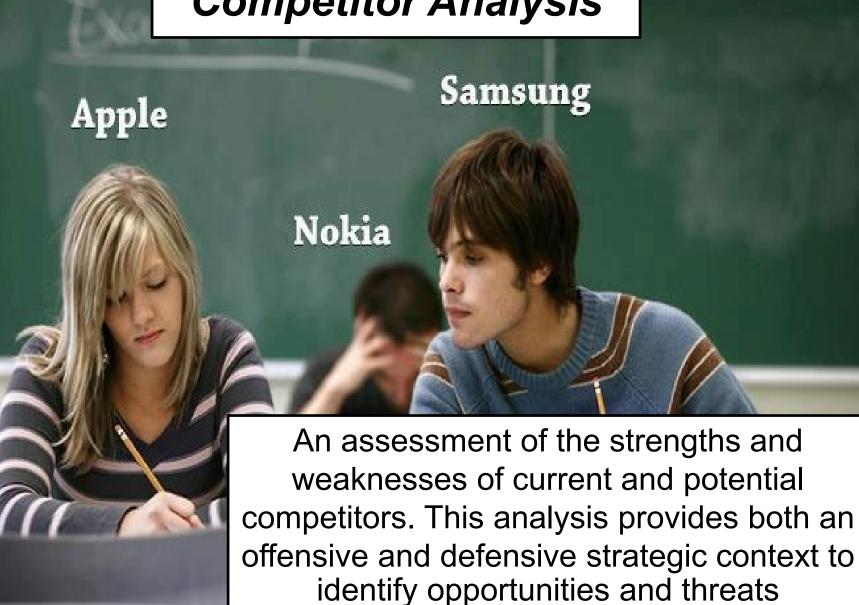
- Technology level in your industry
- Communication infrastructure
- Access to newest technology
- Internet infrastructure and penetration

Situation Analysis

Five Forces Model



Competitor Analysis



Setting Market Objective

The mission should be translated into supporting objectives for each level of management

- Financial objectives
- Marketing objectives

Business Portfolio

The collection of businesses and products that make up the company.

Business Portfolio





The businesses chosen for the portfolio should be those that fit the firm's <u>strengths and weaknesses</u> to opportunities in the environment

PORTFOLIO



Our Company's flagship product has been proudly served since



Ranked by Interbrand among World's Most Valuable Brands. with 2013 value of \$79.2B



#1 brand page on Facebook with 83M+ likes

as of June 2014



Our marketing campaign for the 2014 FIFA World Cup™ is the largest in the history of Coca-Cola



3,500+ **PRODUCTS** WORLDWIDE



sparkling beverages ready-to-drink juice and juice drinks ready-to-drink coffee

20 BRANDS no-calorie

19 OF OUR have a low- or no-calorie alternative or are low- or

Our portfolio includes 17 billion-dollar brands:



































Designing the Business Portfolio

Analyze its current business portfolio or strategic business units (SBUs).

Decide which SBUs should receive more, less, or no investment.

Develop strategies for growth and downsizing.

PHILIPS sense and simplicity

SBU of Philips

Philips Healthcare



- · Imaging Systems
 - Intermagnetics
 - Witt
 - •\/MI
- Customer Services
- Healthcare Informatics
 - Stentor
- Ultrasound & Monitoring Solutions
- Home Healthcare Solutions
 Lifeline, HealthWatch

Philips Lighting

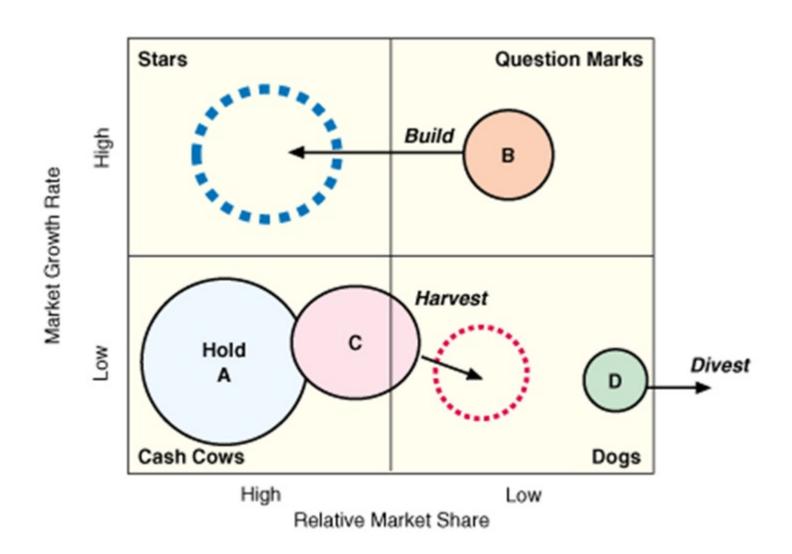


- Lamps
- Professional Luminaires & Systems
 - Color Kinetics
- Home Luminaires & Systems
 - PLI
- Lighting Electronics
 - Bodine
- Automotive
- Solid State Modules
 - TIR Systems
- Lumileds
- · Special Lighting Applications

Philips Consumer Lifestyle



- Domestic Appliances
- Health and Wellness
 - Avent
- Shaving and Beauty
- Connected Displays
- Peripherals and Accessories
 - Power Sentry, DLO
- Home Networks
- Video and Multimedia
- Audio and Multimedia
- Professional and Business Solutions

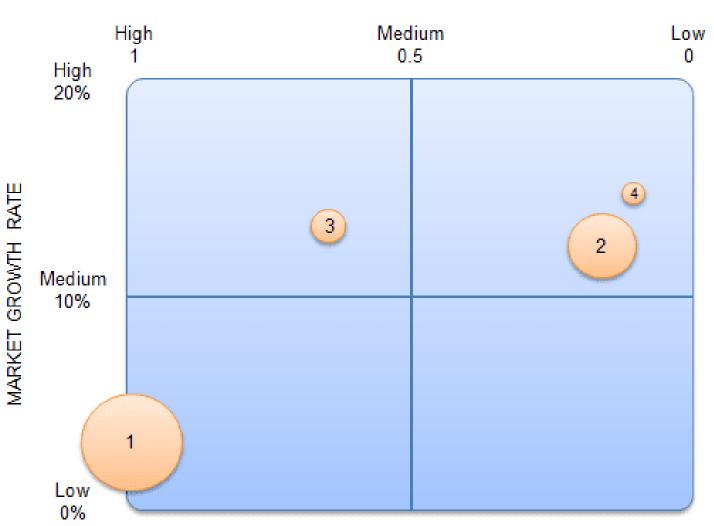




http://www.strategicmanagementinsight.com/tools/bcg-matrix-growth-share.html

Brand	Revenues	% of corporate revenues	Largest rival's market share	Your brand's market share	Relative market share	Market growth rate
"1"	\$500,000	54%	25%	25%	1	3%
"2"	\$350,000	38%	30%	5%	0.17	12%
"3"	\$50,000	6%	45%	30%	0.67	13%
"4"	\$20,000	2%	10%	1%	0.1	15%

RELATIVE MARKET SHARE



Market Share

ส่วนแบ่มตลาดน้ำดื่ม

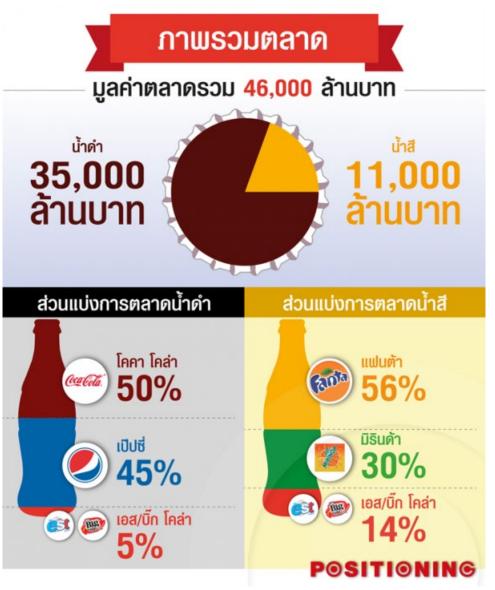


ที่มา: น้ำดื่มคริสตัล, มกราคม 59

Marketeer

Source: marketeer.co.th

Market Share

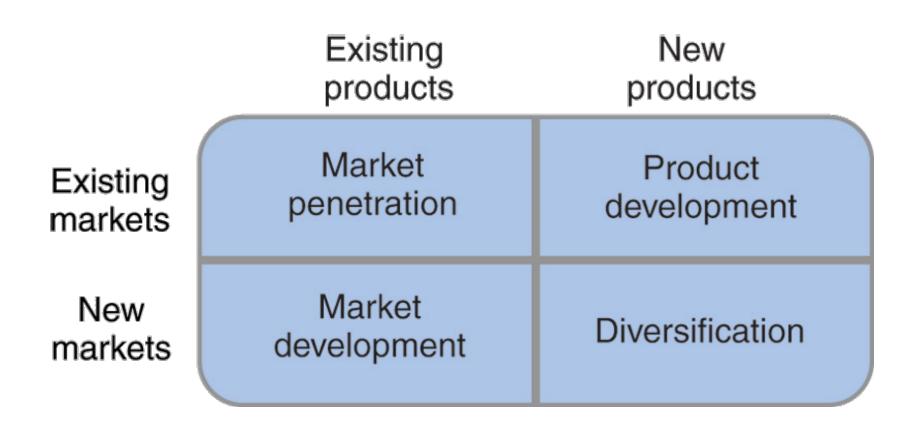


Market Share



If you are CMO of ThaiBev, which market you should concentrate first?

The Product/Market Expansion Grid















The Product/Market Expansion Grid

Market penetration





Product development

Market development

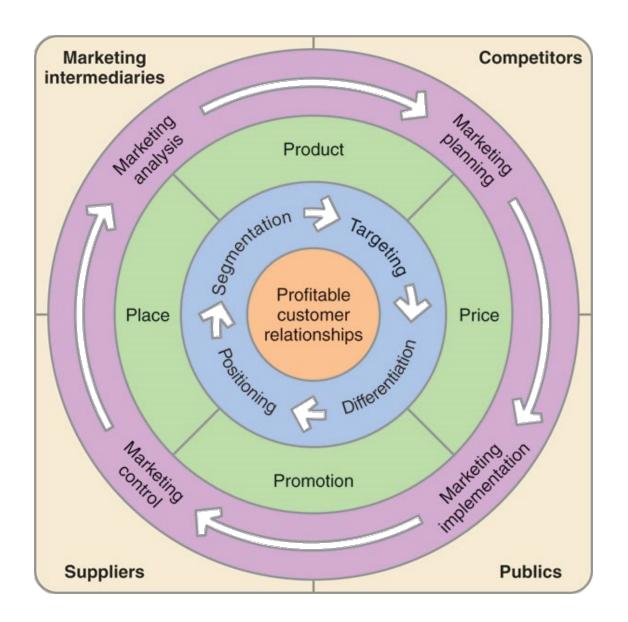




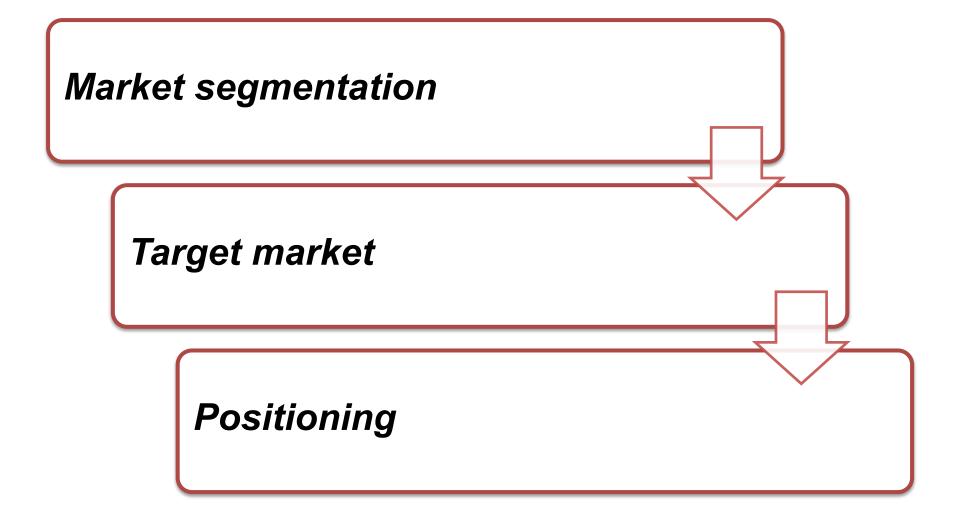
Diversification



Marketing Strategy



Marketing Strategy



Market Segmentation

The process of <u>dividing a market into</u> <u>distinct groups</u> of buyers with different needs, characteristics, or behavior who might require separate products of marketing programs.

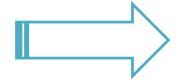








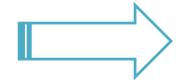
\$0.2 per 750 ml



Mass market



\$40 per 750 ml



Niche market



Customers can freedom choose color depending on their demand

Create Your Own Website Easy. Intuitive. Beautiful.



Differentiation

Creating superior customer value by actually differentiating the market offering.

The world's thinnest notebook. MacBook Air.



Differentiation

Social Network



Social Network for Professional







Differentiation

Huawei focuses on shooting camera, but Oppo focuses on selfie



Positioning

Arranging for a product to occupy a clear, distinctive, and desirable place relative to competing products in the minds of target consumers





THE NO.1 NIGHTIME TOOTHPASTE IN THE WORLD

Eliminating Your Morning Bad Breath



Nissan LEAF z@ro Emission





Marketing Mix

The set of controllable, tactical marketing tools that the firm blends to produce the response it wants in the target market.

The Four Ps of Marketing Mix

Product

Variety
Quality
Design
Features
Brand name
Packaging
Services

List price

List price
Discounts
Allowances
Payment period
Credit terms

Price

Target customers

糿

Intended positioning

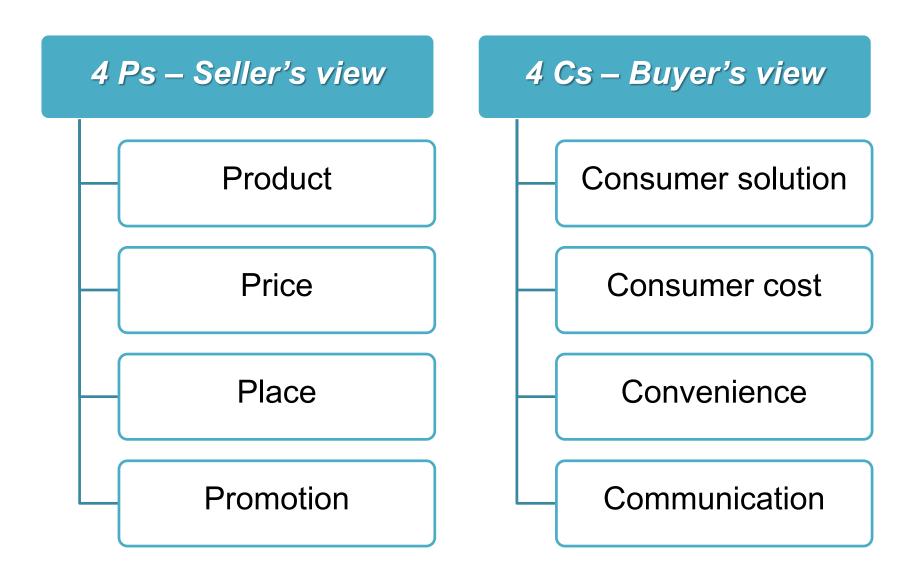
Promotion

Advertising
Personal selling
Sales promotion
Public relations

Place

Channels
Coverage
Assortments
Locations
Inventory
Transportation
Logistics

The 4 Ps and the 4 Cs of Marketing Mix

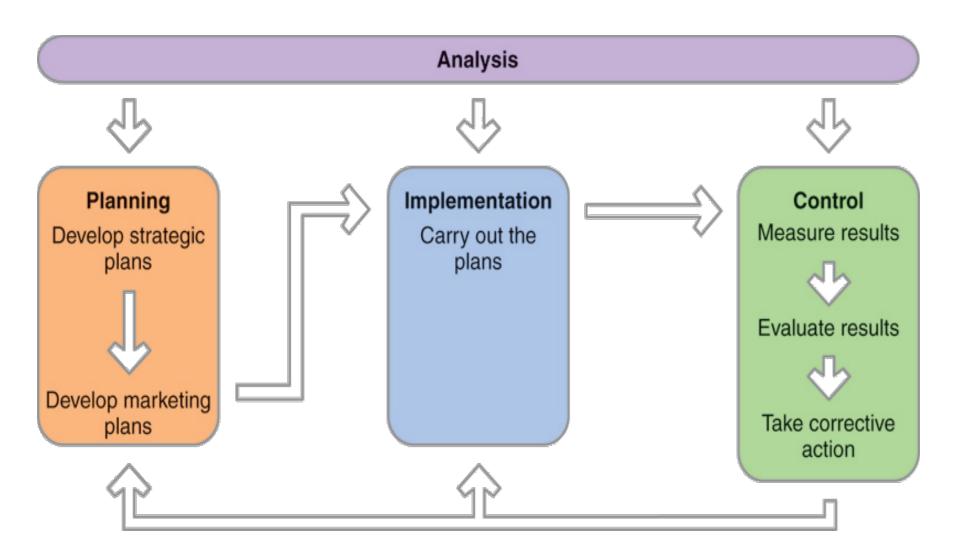




Don't be afraid to get creative and experiment with your marketing.

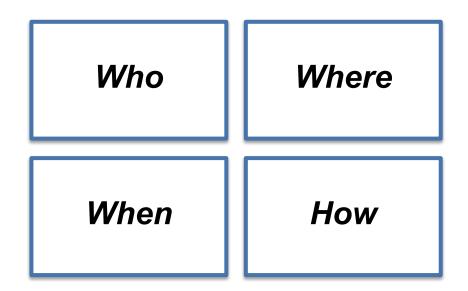
MIKE VOLPE CHIEF MARKETING OFFICER HUBSPOT

Marketing Analysis, Planning, Implementation, and Control



Marketing Analysis, Planning, Implementation, and Control

Turns marketing plans into <u>day-to-day marketing actions</u> by addressing:



Marketing departments must be properly organized to ensure <u>timely implementation</u>.

Marketing Control Process

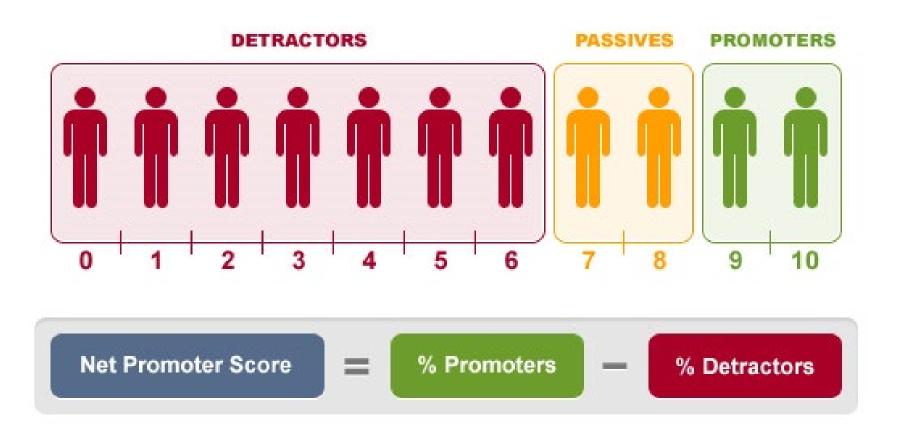
Set goals Measure performance Evaluate performance Take correction

Market Evaluation

The <u>Net Promoter Score (NPS)</u> is a simple but powerful tool to measure client satisfaction with one single question

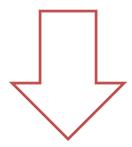
"How likely are you to recommend company/brand/product X to a friend/colleague/relative?"

Market Evaluation



Key Performance Indicators

"An industry jargon for a type of performance measurement"



In marketing, KPI are sale revenue, profit, customer satisfaction, customer retention, market share, a number of new customer, and efficiency of Ads

