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Principles of Marketing
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Marketing Managers

The Impact of the Marketing Management
Process

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The impact of the Marketing Management Process

Executive Summary

Managers use variations of a model analysis, planning, implementation, and control to help plan and solve problems. One model uses a series of questions to help guide the manager. This model introduces risk that results from decision making and changes in the environment. Another model varies by using steps. The steps include understanding the current situation, developing the marketing strategy, developing marketing programs, and tracking efficiency and effectiveness. This model stresses the importance of the customer. Research, segmentation, tactical marketing, implementation, and control are steps of a different model. This model shows the concern of stimulating demand. A more detailed model incorporates the business mission, an environmental analysis, implementation, and control into its process, and evaluates international marketing and working with other managers. Models may not be the most effective and up to date way for a manager to operate. Many other considerations of today's environment need to be taken into consideration. Difficulties can also arise when a manager tries to follow a model.

Introduction

Marketing Managers are faced with decisions, and their goal is to satisfy everyone that is affected by the decision being made (Kotler 1994). Kotler (1994, pg. 13) proposes a definition of the marketing management job, approved by the American Marketing Association, as, "the process of planning and executing the conception, pricing and promotion, and distribution of goods, services, and ideas to create exchanges with target groups that satisfy customer and organizational objectives." It implies that the marketer must use extensive planning and implementation to effectively satisfy customers and people within the organization. Models are used to help marketers plan and implement; and reveal implications of the marketing management job. Most models follow the general steps of analysis, planning, implementation and control (Kotler 1994). However, marketing managers do more than follow models; difficulties arise that the managers must deal with.

Model 1

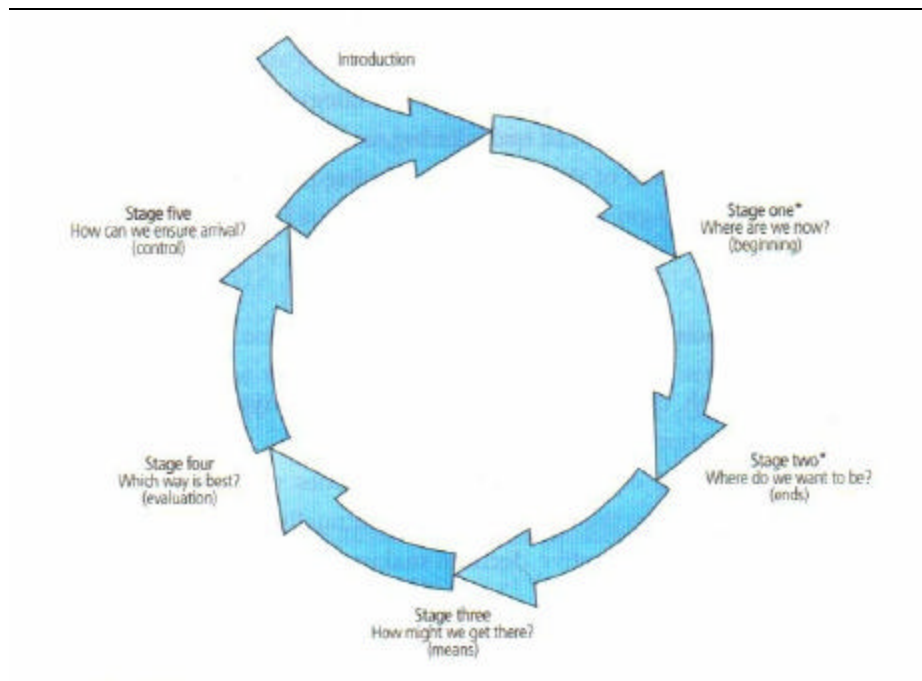
The Management Process

One model presented by Gilligan and Wilson (2003) uses 5 questions to guide marketing managers (see figure 1). The first question is where are we now? (Gilligan and Wilson 2003) In this stage the competitive position, product ranges, market share and financial position are determined (Gilligan and Wilson 2003). Dowling (2004) defines understanding the current situation as the first step in the marketing management process, additional factors such as the strategy and capabilities of the organization and operations procedures are included. Understanding where the company currently is provides a foundation to build from (Gilligan and Wilson 2003). The next step is to decide where we want to be (Gilligan and Wilson 2003). In this stage the strategy is formulated and the goals are set (Gilligan and Wilson 2003). Kotler (2003) says that the company's core competencies and assets must be included. This stage includes the interest of managers from all of the departments in the company (Sandhusen 2000). How do we get there is the next step (Gilligan and Wilson 2003); here all possible alternatives to obtaining the goals are determined. An evaluation of all the methods is the next stage (Gilligan and Wilson 2003), which way is best? The last stage is deciding how to ensure safe arrival (Gilligan and Wilson 2003). It includes implementation and monitoring (Gilligan and Wilson 2003). This process does not mention control, other processes use control in to try and minimize risk. For example Westwood's (2003) control step includes set standards and possible procedures to help ensure arrival at the goal. The model helps marketing managers, but it may be too general for managers to consider all important factors. This model introduces two factors managers must consider, risk and a changing environment.

Implications

Gilligan and Wilson (2003) show that risks result from decision making. A choice must be made when dealing with a risk (Gilligan and Wilson 2003). Benson (2004) says that identifying risks early can help manage problems and save time. The next implication to consider is accommodating for changes in the environment (Gilligan and Wilson 2003). The environment is changing faster today due to growing communication and technology (Terpstra 2000). This is giving managers tons of information to be sorted to find data relevant to their problem (Donthu and Yoo 2001). About 90% of the data available for marketing managers to use is untouched (Meyer 1998). Relevant information is needed for managers to improve effectiveness and efficiency (Lazer and Shaw 2000). These implications are important in the process of marketing management; Dowling's (2004) is the next model.

Figure 1



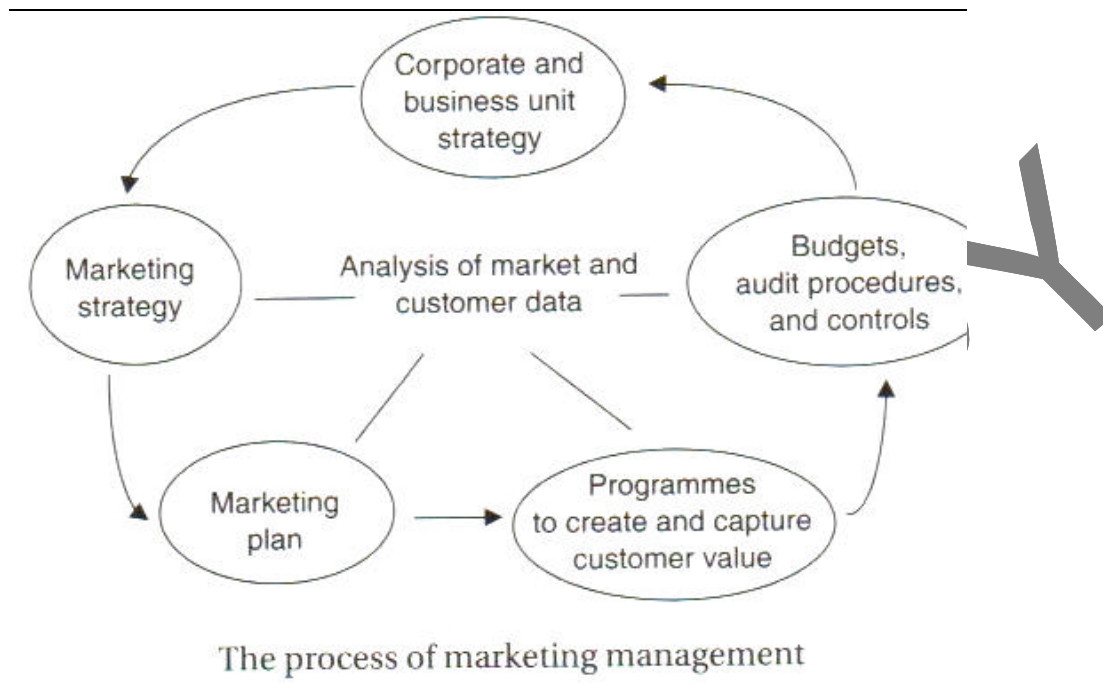
(Gilligan and Wilson 2003, pg. 9)

Model 2

The Process of Marketing Management

Step one of Dowling's (2004) method is similar to the first stage in the last model by Gilligan and Wilson (2003) (see figure 2). Step 1, understanding the current situation, includes the strategy and capabilities of the organization, and operations procedure (Dowling 2004). A similar step is presented by Westwood (2002), it is defined as the situation analysis. Included in this step is making any assumptions, for example exchange and interest rates (Westwood 2002). This step is unique to the model. The next step is to develop the marketing strategy, and then link it to customer's needs (Dowling 2004). Next the marketing programs are developed, to help implement the plan (Dowling 2004). Last the efficiency and effectiveness need to be tracked (Dowling 2004). Stevens et al. (1997) use a similar last step, in which performance is analyzed. The model is slightly more inclusive than the first and it does include the importance of the customer, which some models fail to do, however this model has no step where control is stressed. Controlling can help managers improve the effectiveness. Satisfying the customer is an implication that Dowling (2004) introduces.

Figure 2



(Dowling 2004, pg14)

Implications

Marketing is explained by Drucker (1954 cited Webster 2002, pg.18) as, "the whole business seen from the customer's point of view." Webster (2002, pg. 22) goes even further to say that the whole management process is, "the process of defining, developing, and delivering customer value." Kotler (1994) thinks that all managers are needed to bring value to the customer. Simkin (2002) believes that all the attention should not be focused on the external customer. The internal marketing, such as sharing information should also be strong (Simkin 2002). If communication within the company increases Simkin (2002) believes that marketers will be able to better understand each other's ideas and build from them, eventually leading to better customer satisfaction. The customer is incorporated into many of the stages for this model (Dowling 2004). The next model is described by Kotler (1999).

Model 3

The Management Process

The first step in Kotler's (1999) model is research. This is considered the starting point, where the customer's needs, perceptions, and preferences must be determined (Kotler 1999). Vignali and Zundel (2003) focus their entire model on research. Research is not only collected in the analysis step but is again in the diagnosing stage (Vignali and Zundel 2003). These steps are very similar to the, where are we now, step in Gilligan and Wilson's (2002) model. The second step is segmentation, targeting, and positioning (Kotler 1999). This includes which segments to target, positions of the product, and differentiation of the product (Kotler 1999). The marketing mix is the next step, and is considered the tactical marketing stage (Kotler 1999). Kyambalesa (2000) combines the last three steps of research, segmentation, and marketing mix into his first step called planning. Within his planning process the situation analysis, goal setting, target market selection, and developing a marketing mix are all accomplished (Kyambalesa 2000). Implementation is next (Kotler 1999). Kotler (1999) believes that this is the step where a marketing plan can fail, and is usually the weakest point. The implementation needs to be well focused and monitored to ensure that the ideas of the marketing plan are carried out (Simkin 2002). Control is the last step (Kotler 1999). Feedback, corrections to the product, and evaluation of the goals, are the components (Kotler 1999). Westwood (2002) also agrees that one the last steps in the process should be control, but he adds one last step of updating the procedures. This final step allows changes to be made (Westwood 2002). This model is the most inclusive so far, the customer, and control are both included, however this model lacks goal setting. Without goals it is hard to measure achievement. Kotler's (1999) model of marketing management shows that managers have to monitor demand.

Implications

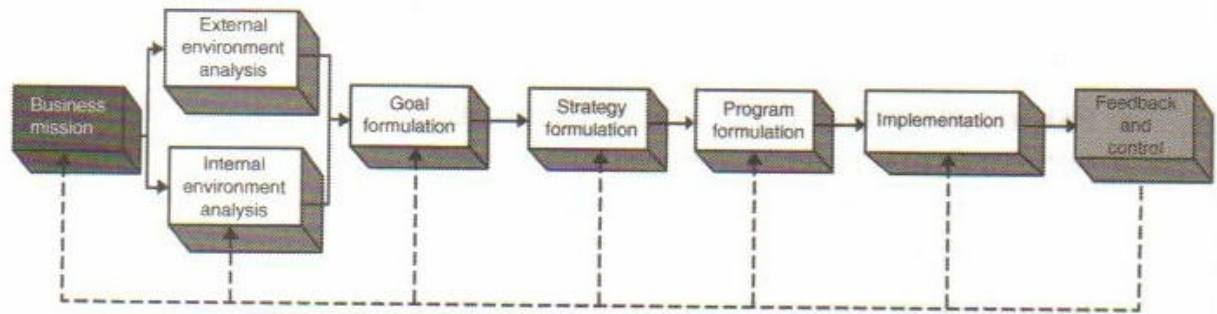
Stimulating demand is a common misconception of all of what marketing managers do (Kotler 1994). Marketing managers must be able to work with all the other managers to help create and maintain levels of demand, but they do more (Sandhusen 2000). They must be able to recognize if demand is negative, falling, irregular, or overfull, for a few examples (Sandhusen 2000). Then they must respond to the demand by re-evaluating the organization's goals (Sandhusen 2000). The last model is described by Sandhusen (2000).

Model 4

The Management Process

Sandhusen's (2000) model is the most comprehensive model discussed. The process begins with understanding the business mission (Sandhusen 2000). (See Figure 3). The customers, value of the product, history of the company, and resources should be decided in this step (Sandhusen 2000). The environmental analysis is completed in the next step (Sandhusen 2000), business level strategic planning. LaPlaca's (1997) planning stage includes the entry strategy, new product identification, along with the marketplace analysis. Next the strategy is formulated (Sandhusen 2000) to satisfy the needs of the customers in the target market. Westwood (2002) believes that the strategy should be formally defined as a defensive, developing, or attracting strategy. The marketing mix is also incorporated (Westwood 2002). The program is formulated, and then the plan is carried out in the implementation stage (Sandhusen 2002). Kyambalesa (2000) believes that the effectiveness for the implementation depends on how well the manager performed. The implementation process tries to achieve the goals of the plan (Kyambalesa 2000). The last stage is to collect feedback and ensure control (Sandhusen 2000). Mechanisms, such as monitoring the environment, should be put into place to ensure that the plan works (Sandhusen 2000). Stevens et al. (1997) includes customer data feedback. This model includes everything that the other models didn't. The only aspect that this model doesn't touch on is revision of plan itself. Revisions become important as factors change. Implications of Sandhusen's (2000) process include working with other managers and an internal perspective.

Figure 3



The business strategic-planning process.

(Sandhusen 2000, pg.60)

Implications

Marketing managers work with managers from all of their company's departments (Sandhusen 2000). In order for all managers to work together they must have the same purpose and goals (Sandhusen 2000). Arguments can arise between managers over a tight budget, respect, and importance (Kotler 2003), but managers in all areas work together to help analyze, organize, implement, and control (Sandhusen 2000). Marketing managers dealing with an international strategy must reinvent their strategic thinking (Lazer and Shaw 2000). They must look at the core missions, values, and visions to deal with the unsteady environments in international marketing (Lazer and Shaw 2000). If a company decides to go international the marketing manager must deal with more complicated, less defined, and un-stable markets (Sandhusen 2000). They must decide what markets to enter (Sandhusen 2000), also taking into consideration increased competition (Palumbo and Herbig 1998). A global brand must also be invented (Palumbo and Herbig 1998).

Difficulties of the Marketing Management Process

Managers can not simply follow a model. Marketing theory may not be the best way to practice marketing (Hill et al. 1998). The existing marketing theory needs to be revised to account for today's environment (McCole 2004). Using theory may hinder innovativeness (Hill et al. 1998 cited Wortman 1993), and ignore consumer behavior (Hill et al. 1998 cited Buttle 1994).

Difficulties can arise for managers. Managers of the same company could follow different processes. Processes emphasize different steps. For example a manager following Gilligan and Wilson's model (2003) are going to be

less concerned with customers than someone following Dowling (2004). This can lead to conflicts in deciding what the goals are. There may not be enough resources (Kotler 2003), for example budget, knowledge, or distribution capabilities. Few models take resources like this into consideration. Some models examine the goals of the company, for example Sandhusen (2000). In practice it is possible that different managers have different goals. Inconsistency leads to managers trying to accomplish different goals. In most situations there are not enough resources for all goals to be accomplished, this could lead to nothing being accomplished. Competitors should be more closely evaluated. What a competitor has done in the past is critical for deciding the marketing plan. If a competitor has already tried that strategy it could look very bad for the company or simply waste time.

The manager's abilities may cause difficulty. The planning process requires creativity. The manager must be creative in order to properly follow any model. Ethics are not taken into consideration in any model. Managers will be faced with making ethical decisions, if unethical decisions are made the company could face many issues.

Conclusion

Marketing managers use variations of the model analysis, planning, implementation, and control. These models bring up implications such as demand, customers, international marketing, and other managers. In theory these models can help managers solve problems. In practice this might not always be true, theory may have to be restructured to more closely reflect what managers have to do in today's environment. Many struggles result when managers try to follow a model such as insufficient resources, conflicts with other managers, and ethical considerations. Managers should take all of this into consideration when trying to effectively plan for their company.

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