

Stephen Locke
Prof. Bowersox
BUS606: Strategic Global Marketing Management
Module 1 Assignment

Short Answer (4 to 5 sentences)

1. *A well-developed strategy contains five components. Briefly discuss each one.*

Scope, Goals & Objectives, Resource deployments, Identification of Sustainable Competitive Advantage, and synergy. Scope is simply the breadth of an organizations strategic domain, industry, product lines, and more. The core of decisions in this compenent should be based on the companies mission. Goals and objective strategies detail the desired level of performance and volume growth. This also includes profit contribution, ROI for the organization on a whole. Specifying how the organization will compete in the market within it's niche, and how it plans to stay in the fight; is other wise known as Identification of a Sustainable Competitive Advantage. Synergy is simply the reinforcement of the businesses highest performing components in tandem. Better synergy equals better results.

2. *Exhibit 1.9 describes the process of formulating and implementing a marketing strategy. Provide a top-level bulleted list of the process (There is no need for a lot of detail. Throughout the class, we will cover the entire process).*

The process of formulating and implementing a marketing strategy involves the following steps:

- a) Conducting a situation analysis
- b) Setting marketing objectives
- c) Selecting target markets
- d) Developing marketing strategies for specific situations
- e) Implementation & Control

3. *Define what a marketing plan is. Exhibit 1.10 lists the contents of a marketing plan. Which section is the most important, in your opinion, and why?*

A marketing plan is the form in which a companies marketing strategy for a season or time will be used to generate growth. The marketing plans most crucial component is the mix of product, price, promotion, and distribution.

- The target market to be pursued.

- What specific actions are to be taken with respect to each of the 4 Ps.
- Who is responsible for each action.
- When the action will be engaged in.
- How much will be budgeted for each action.

4. List the components of a well-defined corporate strategy.

Scope, mission, and intent

Objectives

Source of competitive advantage

Development strategy

Resource Allocation & Sources of Synergy

5. Define each of the following (one sentence for each will suffice): market penetration strategies, product development strategies, market development strategies, and diversification strategies.

Market Penetration Strategies: Involve increasing market share in existing markets.

Product Development Strategies: involve developing new products for the current market(s)

Market Development Strategies: The pursuit of new markets for an already present product, whilst Diversification Strategies are more geared towards entering new markets with fresh products.

6. A firm always wants to increase synergy across its various businesses and product markets. Describe any two sources of synergy described in the text.

Exhibit 1.2 Highlights shared resources and shared activities as two sources of synergy. With resources what can be provided is favorable customer image as well as, functional competencies across product-markets within an industry. Shared activities include but are not limited to marketing resources, competencies, or activities across product-market entries.

7. Briefly describe two characteristics of strategic business units (SBUs).

SBU's in order to see growth or success in their sector is distinct mission. Without said distinct mission in view, goals can be at risk of not being met or better yet, resources wasted. Specific Target markets are the second component, and they insure that the market is consistent whilst providing a unique product to the consumer.

8. Exhibit 3.1 describes four business strategies. Of the four, which one is clearly the 'worst' to be for a company? Why?

The worst business strategy as described as "stuck in the middle" strategy. Due to the fact that it divides the intent and creates uncertainty around being able to achieve both low costs and differentiation strategy.

9. Describe the environmental factors that make the prospector business strategy favorable. Exhibit 3.5 may assist with this.

The prospector business strategy is it's most favorable with a market environment that is experiencing rapid growth. Low barriers to entry are also factors in facilitating a prospector business strategy. Rapid technological change can also create opportunities for products and services which align with the strategy. Within a diverse market, the opportunity for a business to introduce new products or services to customers can help create innovation in the strategy itself.

10. Long Answer (8 to 10 sentences)

11. Compare and contrast corporate, business, and marketing strategies based on the five key components. Exhibit 1.2 in the text may assist with this. (Note: If easier, feel free to use a table or bullet format, vice writing a paragraph(s)).

Scope:

- Corporate business strategy defines the scope of an entire organization and the markets it competes in
- Business strategy focuses on a particular business unit and the different services provided as well as the market specific to that unit
- Marketing Strategy moreso explores the range and relationship between product & services, including the target market, positioning and market presence.

Goals & Objectives:

- Corporate strategy sets the goal for the entire organization whilst setting markers for financial performance, market share, and customer satisfaction
- Business Strategy sets the mark for the business unit, and the specifics of that unit. This can include revenue growth & profitability, as well as market share.
- Marketing Strategy sets goals in the direction of customer acquisition.

Resource Deployments:

- Corporate strategy determines how resources can be allocated within the entire organization.
- Business strategy focuses on the different sectors in the organization and how resources can be maximized and or increased for productivity and growth.
- Marketing Strategy determines resource growth for the purposes of reaching and increasing customer buy in or customer retention.

Synergy

- Corporate strategy when it comes to synergy is to promote and increase productivity through leveraging shared resources and tools across different business or product markets.
- Business strategy within synergy does the somewhat of the same but more geared toward the different divisions with the entirety of the organization
- Market strategy is similar but moreso based in customer acquisition and retention utilizing the best of it's resources and expanding reach.

Competition

- In the corporate sense, the goal is to determine the organizations strength and what makes them different from the market. How can they sustain this edge and what wneeds to be done.
- Business strategy in this regard focuses on the different departments and sectors and how to contribute to the maintenance of the edge and how it will utilize synergy to increase growth.
- Marketing Strategy Identifies the product or servie created by the organization and how to market that strength effectively to the customer base