

- **Chapter 2: Developing Successful Marketing and Organizational Strategies**

I) Strategic Planning

"if you don't know where you are going, you will wind up somewhere else" - yogi

II) Corporate Strategy

- Corporate strategy is used by ALL firms, whether profit or non-profit, manufacturer or service, entrepreneurship or a global corporation.

III) Marketing Strategy

- a) Selecting and analyzing a target market and
- b) Creating and maintaining an appropriate marketing mix to
- c) Deliver a unique customer experience while
- d) While Achieving organizational goals
- e) Profit vs. nonprofit organizations and strategy...

IV) Three levels of Strategy in Organizations (figure 2-1 page 29)

- a) The " C " level (corporate-level strategy)
- b) The " SBU " level (Business unit-level strategy)
- c) The Functional or Departmental level

(see text page 27, Figure 2-1, The board of directors oversees the three levels of strategy in organizations: corporate, business unit, and functional)

V) Organizational Structure

- a) Corporate
 - i) The "C" level;

ii) Top management sets and directs the overall strategy for the firm

(1) How does this work for our entrepreneurs?

- (a) Tim Apel, AAA homes
- (b) Rob Felber, Felber and Felber
- (c) Gary Trinetti, Garick

(2) Which of our guest speakers are at the "c" level?

- (a) Dan Muller, Timken?

b) Strategic Business Units (SBU's)

i) A division, product line or profit center

ii) Selling a distinct set of products/services to a specific target market, against well-defined competitors.

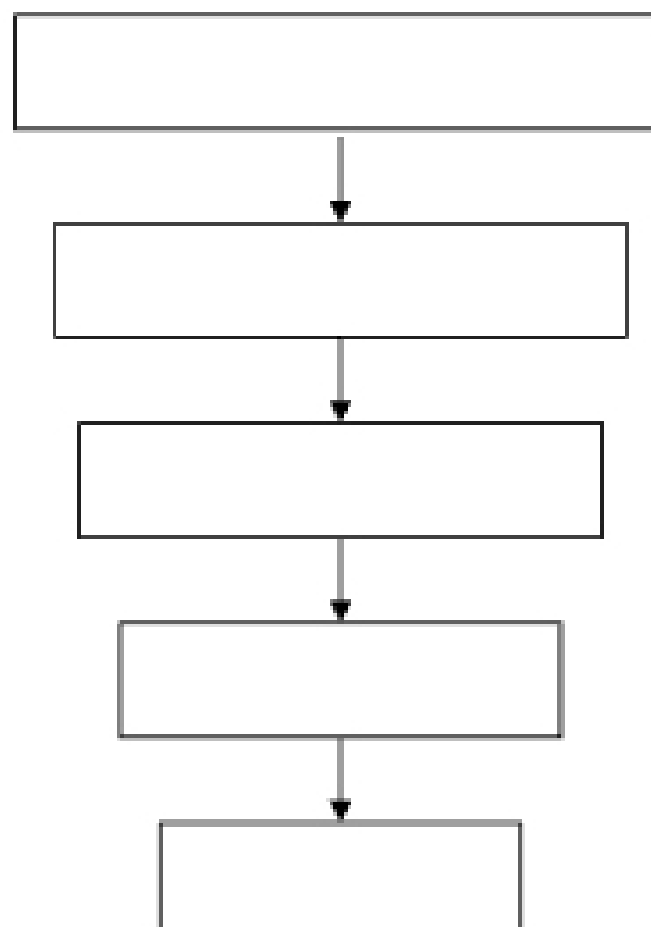
iii) Operate in markets that have different sizes, growth rates, opportunities/threats, competitions, and profit potential

iv) SO, planners must be knowledgeable about these in doing planning, in allocating resources, and in performing evaluations.

Don Kosec, Time warner business services

VI) Functional/Department Level

VII) Levels of Strategic Market Planning



VIII) Mission Statement

- a) The **mission statement** should be a clear and succinct representation of the enterprise's purpose for existence. It should incorporate criteria addressing concepts such as the moral/ethical position of the enterprise, public image, the target market, products/services, the geographic domain and expectations of growth and profitability.
- b) The intent of the Mission Statement should be the first consideration for any employee who is evaluating a strategic decision.
- c) Example – Mission/Vision at Timken (Dan Muller)
 - i) WAS the “World-wide Leader in Bearings and Steel” (focus is on product and not what the customers want)
 - ii) BUT that put them in a “strategic box”
 - iii) NEW: “Improving Customer Performance” (sets sights on customers)
 - (1) Allows “out of the box thinking!”
 - iv) For customers who are willing to pay for the value we create.
 - v) REMEMBER: “At a profit?”
- d) Time-Warner Example

IX) Goals or Objectives—Be “S.M.A.R.T.”

- i) Specific
 - ii) Measurable
 - iii) Attainable
 - iv) Relevant
 - v) Time-based
- (1) Time Warner Business Services Goal is to keep business growing 25% per year.