- **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 <u>target market</u> and

b) Creating and maintaining an appropriate <u>marketing mix</u> to

c) Deliver a <u>unique customer experience</u> while

d) While Achieving organizational <u>goals</u>

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.

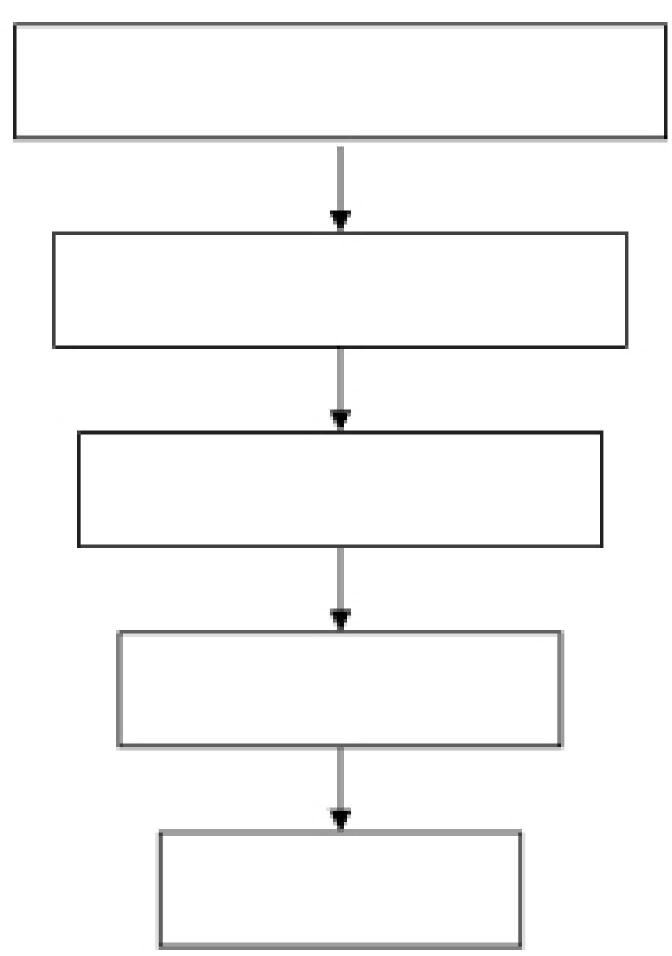
iii) Operate in markets that have different sizes, growth rates, opportunities/threats, competitions, and profit potential

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.