

## Strategic Marketing Management: Why to Study?

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### ABSTRACT

*Thought process continues what is meant by Strategic Marketing Management; why we taught Strategic Marketing Management in Business School; how it differs with Strategic Management, a core subject in various institutes? That's motivated me to write a research paper on Strategic Marketing Management. Providing superior value to customer is become challenge for many companies in the world. Organization distinct capabilities should be aligned with promising value opportunities. Marketing strategies depends upon understanding markets, buyers, competitors and change expected in coming days. Failure of Kingfishers Airlines and Subhiksha Store, thinking of replication of Amul model in Maharashtra, failure of Private University in Chhattisgarh in 2005, subsidized LPG to Market LPG, war between Dettol Utensil care and VIM bar, success of online buying concepts in India, closure of Big Bazaar store in Bangalore and other metros created the need to understand Strategic Marketing Management. Strategic Marketing Management is all about helping organization to a unique identity in the market grows its businesses geographically and serve the customers better than competitors. This research paper will give the coverage of scope and contents of strategic marketing management and its importance for marketing students in MBA/PGDM.*

**Keywords:** Strategic marketing management, strategic management, competitors' market, customers

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### INTRODUCTION

The difficult question poses to any corporate among 7Ps, which P integrates strategic value to organization. Raymond identify product, Samsung identify people, Big bazaar identify price and Parle G identify place, so success is shaking hands with them. The book outlines the process of identifying sustainable competitive advantage of organization.

Strategic marketing demanding role in business performance is demonstrated in market driven strategy of successful organizations competing in wide array of market and competitive situation. Superior customer values leveraging distinctive capabilities responding rapidly to

diversities and change in market place, developing innovation, culture and recognizing global business challenges are demanding initiatives that requires effective marketing strategies for gaining and sustaining a competitive edge.

Rather than try to convey all that theory has to say on a subject, the book seeks to translate what theory has to say into principles and practices that students need to know to accomplish what that they want to accomplish. It reflects an approach that is grounded firmly in theory and research but that is ever so practical in application. It reflects 8 years of experience teaching strategic management and marketing management to MBAs. And it reflects a

desire to communicate, in a straightforward and plain-spoken way.

strategic formulation, strategic marketing analysis, marketing strategy implementation, specific strategy initiative, marketing strategy evaluation etc. are important constituents of strategic marketing management.

Introduction and overview describe meaning of word strategy, marketing and strategic marketing with the case of e-choupal ITC. How ITC has changed market dynamics by initiating e-choupal in villages. Case of Proctor and Gamble also included which describes how market driven strategy transformed into profit value of organization.

Organization selects most appropriate course of action with the help of strategic management process. This process helps organization to overcome weakness and to face challenges for achieving their desired objectives.

For example, Nike has successfully identified itself not only with professional athletes, but with those who want to be part of the athlete world. Nike's marketing message has made everyone who wishes to participate in sports feel as if they can achieve their athletic goals. While most people who purchase Nike, products are not professional athletes, the people who buy Nike's products are able to identify with Nike's culture and feel like they are part of an exclusive group. Big bazaar putting all efforts in Raipur and closed stores in Bangalore, Subhiksha had pharmaceutical products in stores but customers were not accepted. Case study on Subhiksha Store is a key part of this unit.

Strategic marketing analysis covers external and internal analysis. External analysis comprises threats, opportunities, trends and strategic uncertainty and

internal analysis outlines strengths, weaknesses, problems, constraints and options. An opportunity is a favorable situation which enables organizations to strengthen present position i.e. access to new market is an opportunity arising from WTO. A threat is unfavorable situations which result in risk and damages to an organization i.e. entry of MNCs into domestic market due to WTO as it poses stiff competition to existing players. A strength is an inherent capacity, which can be used for developing strategic advantages i.e. AMUL has leverages its quality products in Dairy to entire India and created brand synonyms to dairy development in the world. A weakness is an inherent constraint, which creates disadvantage for firm i.e. supply of goods to one buyer (may be Government) is a risky one when there is change of government.

Implementation is way to check marketing strategy. The case study of naukri.com and Jeevan saathi.com highlights the success of marketing strategy of Info Edge Group. Failure in implementation of marketing strategy of Tata Indicom provided us path to think seriously. The story of Tata Indicom incorporated in this chapter.

Mahadiscount offer, exchange offer, alteration offer, sim offer on purchase Rs. are common specific strategy initiatives in organized retail in India. The new IIM's strategy to catch and establish same as IIM A, B, C, L harvested is also described in this chapter. Strategic marketing audit is mentioned in strategic evaluation. It enables a company to define present market situation, forecast the future situation and to analyses the organizational marketing performances and potentials.

The corporate world is in the process of a global transformation. Mergers, acquisitions, outsourcing and downsizing are becoming common word everywhere. Privatization is allowing free enterprise to

take on functions that previously were the domain of government. International boundaries are fading in importance as businesses take on a more global perspective and the technology of information age is telescoping the time it takes to communicate and make decision. Strategic marketing management takes a panoramic view of this changing corporate terrain and attempts to show how large and small firms can be more effective and efficient not only in today's world, but tomorrow as well.

Marketing planning and strategy is designed for courses at the junior/senior-level in marketing strategy, business unit strategy analysis, strategic market planning, marketing planning, strategic marketing management and advanced marketing. It focuses on building the strategic skills necessary to compete in the global economy by using a variety of analytical frameworks to understand how companies formulate strategy, make strategic decisions, and how they implement strategy. This text book focuses on marketing strategy from the viewpoint of the business unit and clearly distinguishes marketing strategy from marketing management [1].

Chernev and Alexander, outlines the essentials of marketing theory and offers a structured approach to identifying, understanding, and solving marketing problems. This book delineates a comprehensive framework for articulating sound marketing strategies to guide business decisions involving product and service design, branding, pricing, sales promotion, communication, and distribution. The concepts, principles, and frameworks advanced in this book apply to a wide range of organizations, from startups to established market leaders, from packaged-goods manufacturers to value-added service providers, from

nonprofit entities to for-profit corporations [2].

Richard M.S. Wilson confirms it as the classic textbook on the subject. Its step-by-step approach provides comprehensive coverage of the five key strategic stages:

- \* Where are we now? - Strategic and marketing analysis
- \* Where do we want to be? - Strategic direction and strategy formulation
- \* How might we get there? - Strategic choice
- \* which way is best? - Strategic evaluation
- \* How can we ensure arrival? - Strategic implementation and control

This new revised and updated third edition has completely new chapters on 'The Nature and Role of Competitive Advantage' and 'The Strategic Management of the Expanded Marketing Mix', and extensive new material covering:

- \* The changing role of marketing
- \* Approaches to analyzing marketing capability
- \* E-marketing
- \* Branding
- \* Customer relationship management
- \* Relationship management myopia
- \* the decline of loyalty

The book retains the key features that make it essential reading for all those studying the management of marketing a strong emphasis on implementation, upto date mini cases, and questions and summaries in each chapter to reinforce key points [3].

David Aakar covers strategic analysis, with emphasis on customer, competitor, and market, environmental and internal analysis. It provides insight into creation of sustainable competitive advantages and synergy, creation and leveraging of brand equity, approaches to handle strategic uncertainty in making strategic decisions, growth strategies and implementation strategies. There are multiple growth strategies available, such as energizing existing businesses, leveraging, creating new businesses and globalizing businesses. By identifying and constructing a

company's business portfolio, such as classification of products or brands into cash cows, stars, dogs and problematic child according to the BCG growth-share matrix, the appropriate brand portfolio strategy can be employed, such as exiting,

milking, divesting or expansion strategies. It further elaborates on the needs to prioritize and trim the brand portfolio, offering guidelines on the strategic brand consolidation process [4].

**Table 1: Importance of Strategic Marketing Management.**

| Contents  | Sub-Contents   | Importance   |
|---|--|--|
| <b>Strategic Marketing Management – Introduction and Overview</b>             | Why pursue a Market driven strategy?<br>Becoming Market Oriented organization,<br>Challenges of A New era of Strategic Marketing Management                                  | Understand and Analyze market the need of market driven strategy in detail   |
| <b>Strategy Formulation</b>   | Formulation of marketing strategies for all components of 4Ps of Marketing i.e.  | Understand the benefits and differential advantages of product, price, place and promotional strategies  |
| <b>External and Customer Analysis</b>   | Segmentation<br>Customer Motivations<br>Unmet Needs  | Understand and analyze gap in customer mindset   |
| <b>Competitor Analysis</b>  | Porter Five force analysis   | Know the scope of Five force analysis in developing successful marketing strategy.   |
| <b>Market Analysis</b>  | Market Trends<br>Key Success Factors<br>Risks in High-Growth Markets   | Understand and Analyze market trends   |
| <b>Environmental Analysis and Strategic Uncertainty</b>                       | Impact Analysis – Assessing the Impact of Strategic Uncertainties.<br>Scenario Analysis  | Analyze impact of Strategic Uncertainty and scenario to bridge the gap of presented products and expected products   |
| <b>Internal Analysis</b>  | The BCG Growth-share Matrix  | Analyze the market share and market growth of the SBUs   |
| <b>Creating Advantage – Synergy and Vision versus Opportunity</b>             | Strategic Vision Versus Strategic Opportunism<br>A Dynamic Vision  | Analyze the gap between strategic vision and Strategic Opportunism   |
| <b>Strategic Options: Quality and Brand Equity</b>                            | Business Strategy Challenges<br>Strategic Options<br>The Quality Option<br>The Brand Equity Option   | Analyze business challenges and strategic options  |
| <b>Strategic Options: Value, Focus, Innovation and Customer Relationships</b> | The Value Option<br>Focus<br>Innovation<br>The Customer Relationship Option  | Analyze focus of an organization   |
| <b>Diversification</b>  | Related Diversification<br>Unrelated Diversification   | Analyze the outcomes of diversification strategy   |
| <b>Strategy in Declining Market</b>   | Creating Growth in declining Markets<br>Divestment<br>Right Strategy for declining environment<br>Hostile Market   | Analyze and assess how market are declining  |
| <b>Global Strategies</b>  | What Country to Enter?<br>Standardizations versus Customization<br>Global Brand Management<br>Strategic Alliances  | Evaluate entry and exit strategies   |
| <b>Marketing Strategy and Evaluation</b>                                      | Marketing Audits and their scope –<br>Measurement of Marketing Performance-<br>External and Internal Audit and its feedback to next year's marketing's strategy formulation. | Conduct marketing audit and receive feedback to understand the gap in ongoing strategic decision and present the modification and re designing of strategy |

## CONCLUSION

The strategic marketing management is an important course for marketing specialization students to analyze and evaluate segmentation, targeting and positioning decisions for accomplishing marketing goal of an organization, to develop strategic options to create alternative action-oriented responses to the external situation that an organization faces and to develop an energized business and brand recognition among all stakeholders. These all are expected requirements of an organization from the marketing students who want to reach out at the top position in the organization.

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