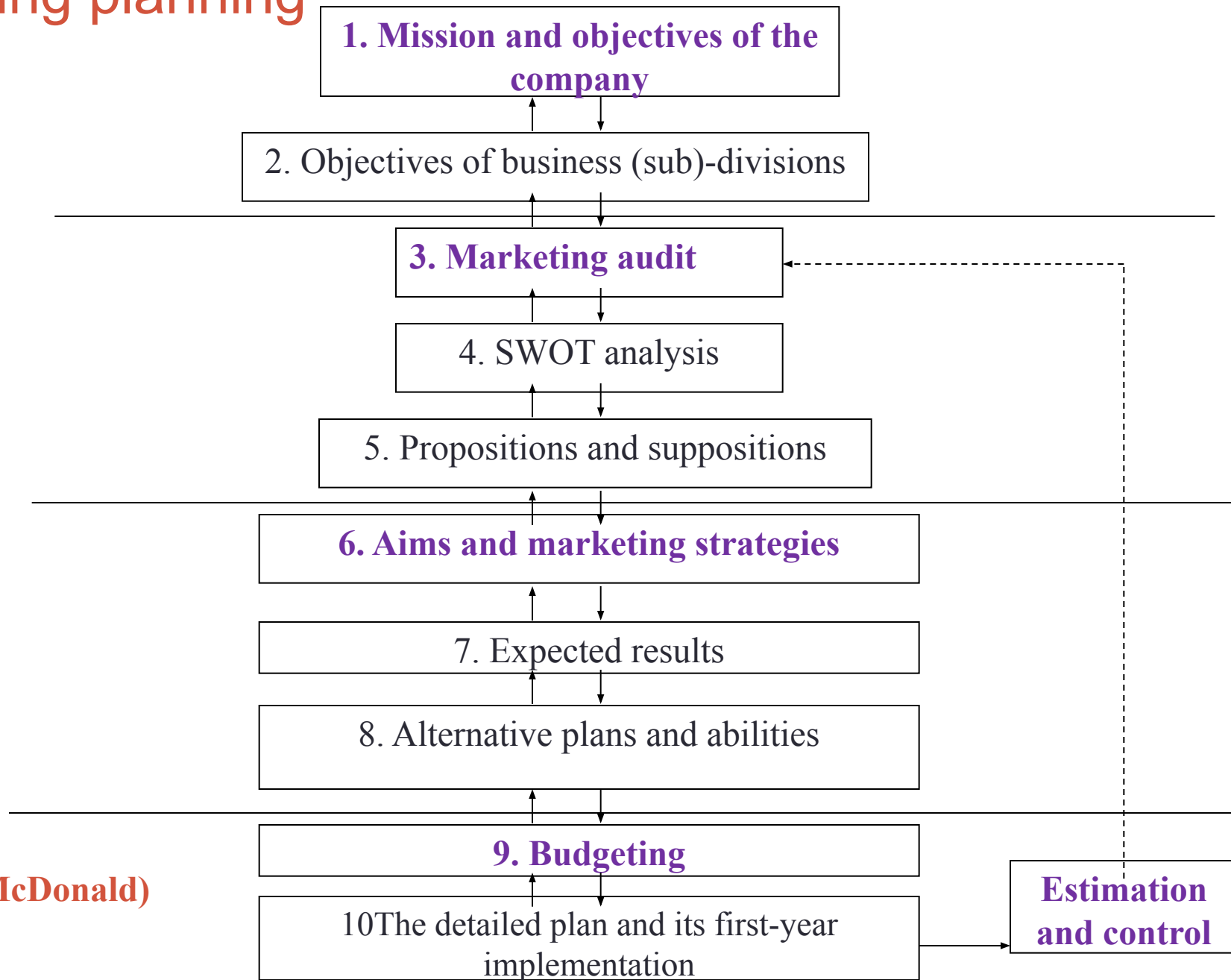


MARKETING MANAGEMENT

Marketing Strategies and Marketing Planning

Marketing planning



(M. McDonald)

Tactics in strategic marketing implementation

Strategic marketing – process of analysis

- elaboration of mission and goals of enterprise or business division
- determination of target markets and analysis of market possibilities
- elaboration of competitive strategies for target markets
- setting of marketing goals and strategies regarding the target markets
- elaboration of target markets segmentation strategies
- preparation of positioning per target segments concepts
- preparation of strategic decisions on marketing complex elements
- predictive assessment of results

Operational marketing – active process

- setting of tactic marketing goals
- planning of detailed marketing activities regarding the target segments for the current year
- budget planning of marketing activities
- planned activities realization
- control of achieved results

Concept of company's mission

- *The company's goal-oriented tasks*
- *The company's activity scope*
- *The company's philosophy*
- *Opportunities, abilities, competitive advantages of the company*



Перестаньте делать из нас культ.
Мы просто продаём кофе.

Starbucks Mission

- To become the leading supplier of the world's best coffee varieties guided by the intact principles in the company's growth process (the working place where employees are respected; cultural diversity; the highest standards of working with coffee; customers' satisfaction; contribution to the local community; profitability)
- To guarantee the quality of the company's coffee in all towns, cities and states at the same level
- By March 2010 the company had guaranteed that all its coffee being sold in Europe would hold the certificate of Organic Fair Trade Coffee Association and would be made in accordance with brand program Starbucks Shared Planet (CSR program)
- Starbucks и Apple have been applying for years the crowdsourcing assistance of their two communities Twitter and Facebook in order to create new products and for service improvement.

Starbucks Activities

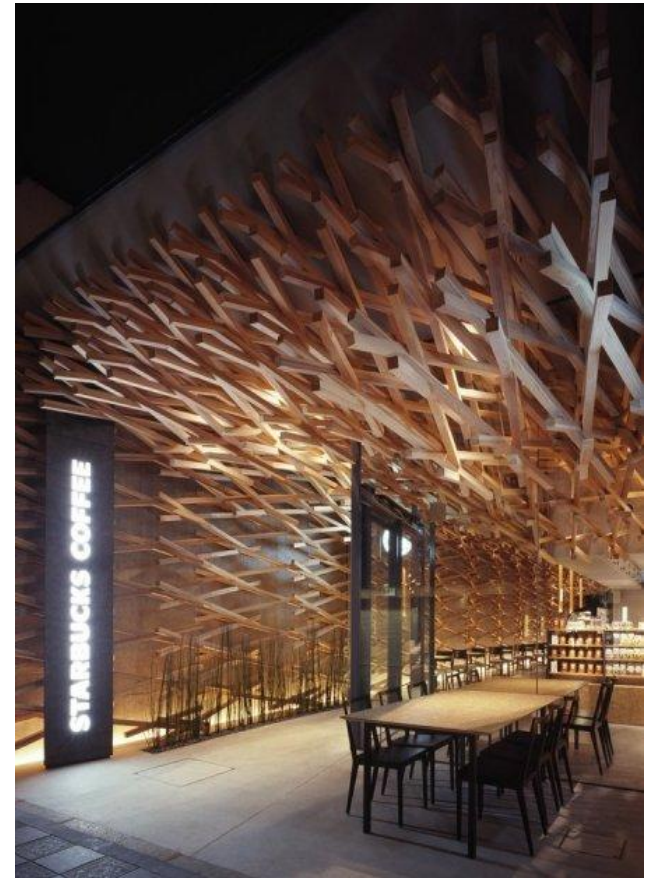
- The opening of coffee-house **Starbucks** in the hotel “Moscow”. The concept of design is built on the traditional Russian localore when the key idea is the desire to emphasize the national mentality.
- The magazine Fast Company, which highlights the latest news in the world of technologies, design and ethical economics has arranged the list of the most innovative companies for the fourth time: The World’s 50 Most Innovative Companies. The coffee-house network **Starbucks** has topped the category “Food Products” in it.
- The bank “Otkrytie”, while setting new formats of innovations, will launch up to 10 offices in Moscow and St. Petersburg together with **Starbucks**.
- **Starbucks** will open its first shop in Colombia’s capital-city Bogota and it intends to open another 50 coffee-houses in the course of the following 5 years. The company has been buying coffee from Colombian farmers for 42 years, it is about to open the partnership program with the US Agence on International Development with the aim to increasing coffee yield in Colombia and to offering Colombian farmers various technical and agricultural aid. The program suggests total investments up to \$ 3 mln supplied to the Centre of Farmers’ Support Starbucks in Colombia’s city Manizales.



Japanese studio of Kengo Kuma, the architect, has developed an extraordinary interior of the coffee-house in Tokyo. Japanese minimalism and creativity flight helped to organize such a low-budget but attractive and intriguing interior.



Перестаньте делать из нас культ.
Мы просто продаём кофе.



The Examples of Missions

- **Lukoil** – We exist to turn the energy of natural resources into the good for all humankind, we want to bring along the long-term economic growth and social stability in the regions of our activity, to promote prosperity and progress, to ensure favourable environmental protection...
- **Gefest** – By implementing new technologies and by increasing efficiency and quality we intend to preserve leadership and to guarantee the potential of the organization's further growth taking into account our customers' needs, the shareholders' and employees' interests.
- **Savushkin product** - to present people with health and joy. The integral condition of sustainable development allowing to provide equal opportunities for all future generations is ecological and social responsibility.



*О компании
Новости
Торговые марки
Партнерам
Контакты
Вакансии
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Миссия компании: Дарить людям радость и здоровье

Компания сегодня

Философия

«Савушкин продукт» за здоровье нации

Глобальный Договор

Системы менеджмента
История



To make people happy

CSR – the concept of corporate social responsibility in mission

- **Level I** – we help others in solving their social problems
- **Level II** – we produce “socially-friendly” products
- **Level III** – we help others to produce “socially-friendly” products



All Products

In 1896, General Electric was one of the [original 12](#) companies listed on the newly formed [Dow Jones Industrial Average](#). After 118 years, it is the only one of the original companies still listed on the Dow index.

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Appliances for Business

- All Appliance Products
- Appliance Filters & Accessories
- Cooktops
- Dishwashers
- Dryers
- GE Artistry Series
- GE Café Series
- GE Monogram
- GE Profile Series
- Microwaves
- Refrigerators
- Ranges
- Small Appliances
- Wall Ovens
- Washers
- Water Heaters

Aviation

- Aviation Services
- Aviation Systems
- Business & General Aviation
- Commercial Engines
- GE Capital Aviation Services (GECAS)
- Marine Engines
- Military Engines

Capital

- Commercial Lending & Leasing
- Consumer Financing
- Energy Financial Services
- GE Capital Aviation Services
- Real Estate Financing
- Retail Financing

General Electric (GE) is an American [multinational conglomerate](#) corporation incorporated in [New York](#). The company operates through the following segments: [Energy](#), [Technology Infrastructure](#), [Capital Finance](#) as well as [Consumer and Industrial](#).



Ecomagination Overview



By Deb Frodl, Global Executive Director, ecomagination

Nine years ago we set out to prove that “green is green,” committing to invest more resources in R&D; launch new solutions that save money and reduce environmental impact for our customers; and manage our own environmental footprint. This is what we call ecomagination.

Since launch, ecomagination has seen great success. We have invested \$12 billion in R&D and generated more than \$160 billion in revenues. We have also made it a part of our competitive structure, reducing our greenhouse gas emissions 32% since our 2004 baseline and our freshwater use 45% since our 2006 baseline, while realizing \$300 million in savings.

The global energy landscape is always changing, and challenges exist today that didn't when we started in 2005. Ecomagination is poised to meet these changes head-on. In 2013, we expanded our work in natural gas, convening thought leaders and publishing a global white paper on the need for cleaner solutions to support the age of gas. We also expanded our work to advance low-cost renewable energy technologies and alternative fuel transportation.



We are also harnessing the power of analytics to improve the energy efficiency of our products, such as wind and natural gas turbines. The Industrial Internet can greatly improve the monitoring, diagnostics and predictive maintenance of products so our customers can experience less unplanned downtime. For example, our latest jet engines are now equipped with sensors that analyze thousands of data points per second, so we can predict when maintenance is required in real time, meaning fewer flight delays and cancellations. This means results: a one-minute reduction per departure could save an average-size airline 1,700 hours per year, the equivalent of reducing crew costs by \$1.2 million and fuel costs by \$5 million.



Healthymagination Overview

By Sue Siegel, CEO, GE Ventures & healthymagination

Healthymagination is working toward better health for more people. We're committed to continuously developing and investing in innovations that deliver high-quality, more affordable healthcare to more people around the world. It's a lofty mission that requires a collaborative team to drive innovation.

In 2013, healthymagination activated a new approach to driving innovation through:

Collaboration

We work to build strong partnerships with customers, governments, universities and industry leaders all over the world to help drive responses to the world's biggest healthcare challenges:

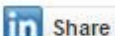
- Last year, GE reported measurable improvement resulting from our community initiative in Cincinnati to improve quality while reducing costs of healthcare in local communities. Building on that success, we announced the expansion of the program, in partnership with the Clinton Health Matters Initiative, to Houston, Texas.
- GE and the NFL launched a new partnership—the Head Health Initiative—to develop



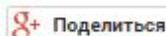
You are here: [Creating Shared Value](#)



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about compliance



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FAQs

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What is CSV?

Nutrition

Rural development and
responsible sourcing

Water

Environmental sustainability

Human rights and compliance

Our people

Performance

Case studies

Downloads

Nestlé in Society: Creating Shared Value



Water partnership with WWF Pakistan

Nestlé Pakistan signed an MoU to improve water usage within its operations and supply

NUTRITION



We play an important role in offering the right kind of products and helping consumers make the right nutritional choices.

WATER



With demand set to rise by 50% by 2030, the world is facing a fresh water crisis. We're determined to help address this crisis.

RURAL DEVELOPMENT



Rural development is at the very heart of our Company and one of our three CSV focus areas.

SOURCING



We're working hard to ensure we source raw materials in a responsible and sustainable way.

ENVIRONMENT



We're helping to protect the environment and scarce resources, now and for future generations.

HUMAN RIGHTS



We recognise our responsibility to respect human rights in our operations and supply chains.

Download our report

Nestlé in society: Creating Shared Value and meeting our commitments

- Summary (pdf, 3Mb)^{en}
- Full report (pdf, 14Mb)^{en}

CEO Interview



Our CEO Paul Bulcke shares his views on Nestlé in society and Creating Shared Value.

Read more

Summary of the Creating

Our Strategy

At Beiersdorf 'We care.'



Eucerin®



Aquaphor®
HEALING OINTMENT

Our vision is to be the number one in skin care in our relevant markets and categories. Our business strategy 'Blue Agenda' defines our course towards this vision. Strengthening our brands, increasing our innovative power, expanding our presence in emerging markets and developing top talent, is enabling us to translate the potential of our company into economic success. The 'Blue Agenda' allows us to be flexible, lean, efficient and true to our values.

In a business environment characterized by economic uncertainty, social pressures and environmental challenges, we strive to grow in a responsible manner. With our 'We care' sustainability strategy we support our business goals whilst continuously reducing our environmental footprint. At the same time we are working to ensure that we give back to people both inside and outside the company.

We have a long and successful track record in sustainable innovations, especially when it comes to social themes. Continuing this success means going even further. That is why, in 2011, we developed a strategic structure and defined metrics against which we can measure ourselves and our future performance. We identified issues that are key to our stakeholders and which contribute to the success of the company. By centering our approach on three distinct areas 'Products, Planet, People', we ensure that we stay focused on delivering meaningful, long-term impact. Our strategy responds to issues that we face across our value chain, from ensuring that we are operating within raw material limitations, to the health and safety of our employees, and responding to changing consumer expectations.

Planet

- **Energy:** We systematically develop solutions to reduce energy use and to convert to more environmentally friendly sources where technically feasible.
- **Waste:** We pursue a policy of 'avoid, reduce, reuse and recycle' and work closely with our supply chain partners to identify and eliminate waste wherever possible.
- **Water:** We constantly work to reduce our water consumption – in production processes, buildings and other areas.

People

- **Employee Health & Safety:** We have a company-wide 'Zero Accidents' program and a proactive approach to safeguarding the health and well-being of our employees.
- **Employee Engagement:** We encourage our employees to get involved personally and we provide a framework within which they can grow.
- **Social Responsibility:** We support local and global social initiatives that are consistent with our company's strategic goals, values and global presence.

Our Strategy: The Blue Agenda

” *The Blue Agenda defines the course of our future.* ”

Stefan F. Heidenreich, Chairman of the Executive Board of Beiersdorf AG



A feel for the needs and wishes of our consumers, a disciplined approach to brand management, and innovation-led research and development work have made Beiersdorf what it is today. However, we aim to do even better in the future, step by step, and to continue the company's progress sustainably and for the long term. Our vision is to be the number one in skin care in our relevant markets and categories. Our compass is our Blue Agenda. Introduced in 2012, it defines the course we are adopting to face the challenges of the future and with which we intend to reach our goals. This strategic program is focused on strengthening our brands, increasing our innovative power, expanding our presence in the emerging markets, and on our dedicated employees.

We will be the No. 1 Skin Care company in our relevant categories and markets.

We Are Skin Care
Closest to Markets

We combine leading brands, big innovations and world-class advertising.

Leading Brands
Big Innovations
World-Class Advertising
Shopper Connectivity

We are small and act with maximum focus, speed and efficiency.

Fast & Flexible
Lean & Efficient

We are Beiersdorf ... we are unique!

One Team
Top Talent
Values & Culture

The examples of Strategic Goals

- **S**pecific
 - **M**easurable
 - **A**chievable
 - **R**ealistic
 - **T**ime constrained
- Increasing the market share
 - Product quality improvement
 - Decreasing the costs of production in comparison with the main competitors
 - Improving the assortment of products
 - Increasing the company's reputation among clients
 - Improving the service
 - Increasing competitiveness
 - Increasing growth possibilities
 - Increasing the level of customers' satisfaction

LG strategic goals in the home entertainment market for 2015

• goals

- LG 2015 consumer electronics business strategy focused on leveraging the company's industry-leading, value-added products to expand business opportunities in the U.S. and around the world
- leading the global OLED TV market
- expanding LG's penetration in the 4K ULTRA HD TV market
- securing a dominant position in providing outstanding user experiences
- strengthening the product competitiveness of its IT and AV product lines



BSC – Balanced Scorecard (The System of Balanced Score)

- The concept of management of strategy implementation developed by David Norton and Bob Kaplan
 - provides monitoring of the enterprise' activity
 - allows to forecast problems' emergence
 - combines strategy and tactics
 - controls the most important both financial and non-financial Key Performance Indicators (**KPI**)

To implement BSC - What is needed to develop in the company?

- The system of **management accounting**
- strategic **goals** and the ways of their achievement
- **KPI** (in terms of criteria and units of account definition)
- **The employees competencies**, motivation
- The necessary **resources** for strategic development
- **The control** of key indicators' performance

The Elements of BSC (the System of Balanced Score)

The functional course of the company's activity

Strategic goals, implied by the overall company's strategy

Measurers – indicators reflecting the level of the goals achievement

Operational goals

Initiatives – activities designed to achieve the already set goals

Goals in the Functional Course

Finance – what is our value for shareholders and customers?

Clients – what opinion are we to form of us?

Internal processes – what processes are we to improve to satisfy the interests of our shareholders and clients?

Learning and growth – Are there any development, motivation and growth programs?

A sample list of measurers

Finance

gross margin, return on assets, net margin, sales growth, cost reduction targets, liquidity, shares value, cost-effectiveness, ROI

Clients/ marketing

customer loyalty, customer satisfaction, level of market coverage, market/segment share, cost per customer, customer value, quantity of complaints, number of clients /new clients, of lost customers, customer retention, percentage of repeat sales, brand awareness measures

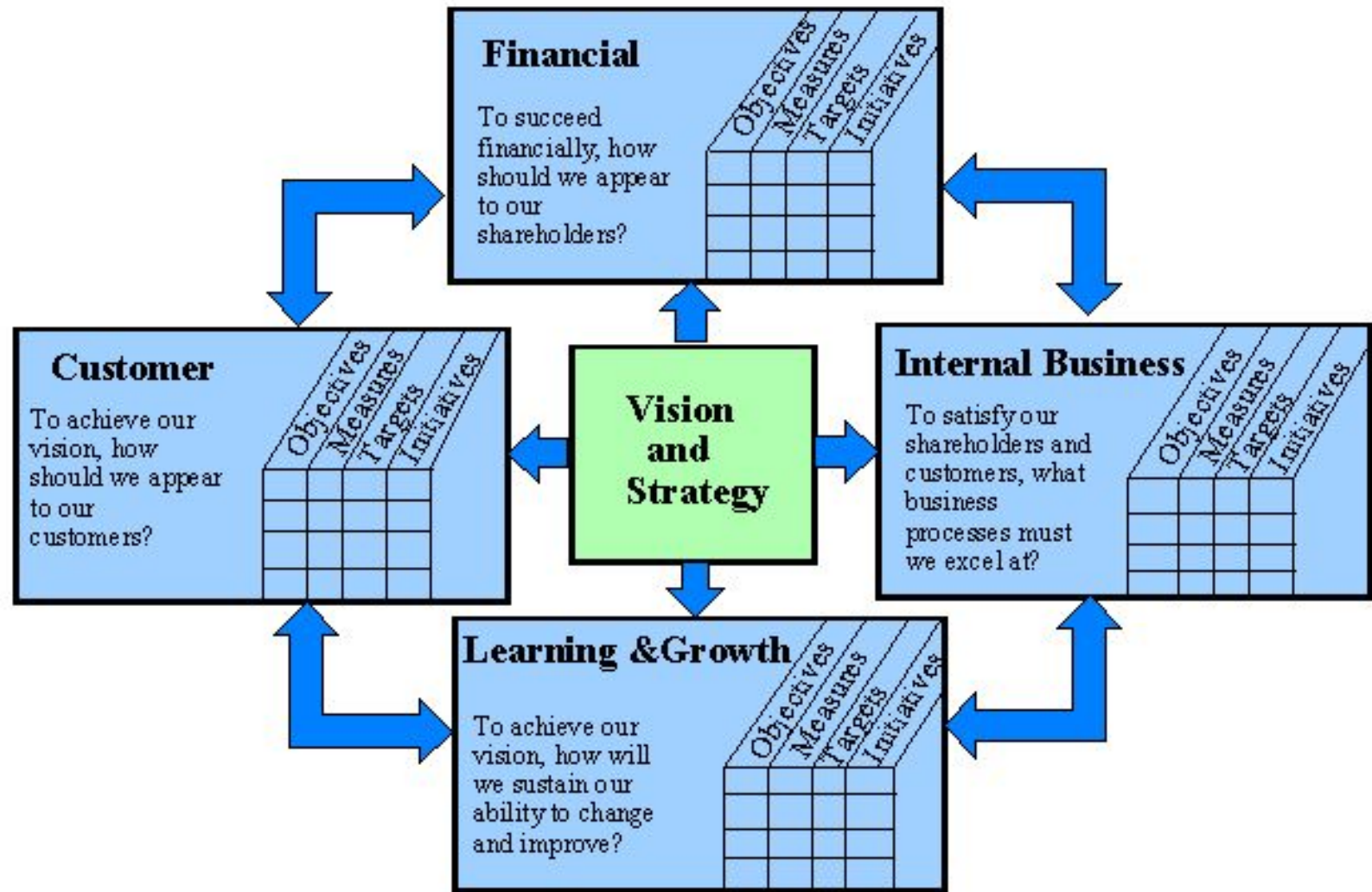
Internal processes

delivery in full, order fulfillment cycle time, efficiency of information system, risk measures, capacity utilization rate, first contact resolution, project cost variance

Learning and growth

Revenue per employee, added value per employee, training cost per employee, competencies measures, employee satisfaction index, employee turnover rate

Balanced Scorecard Framework*



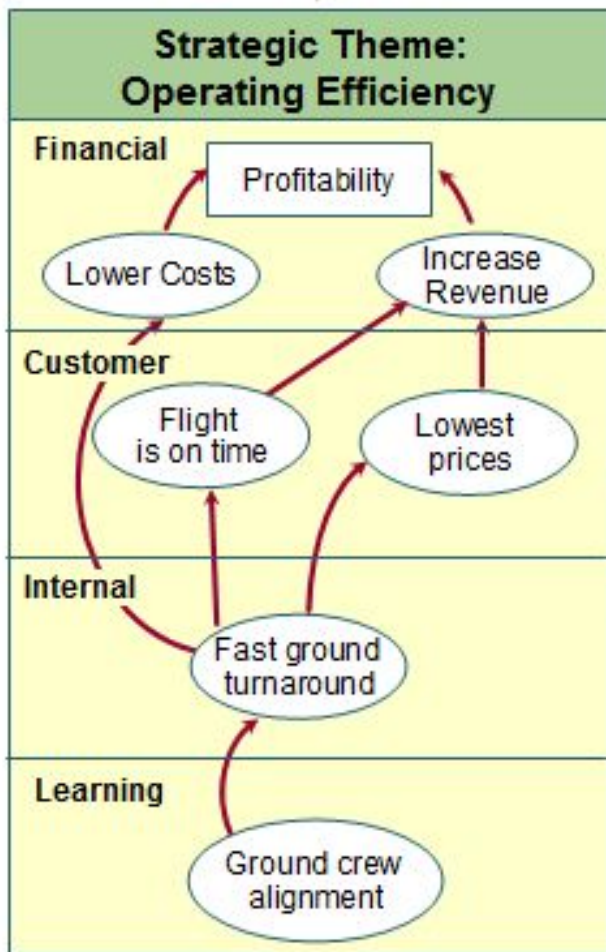
* Adapted from Kaplan & Norton 1996. *The Balanced Scorecard*. Harvard Business School Press: 9. Original from HBR, Jan/Feb 1996, p. 76.

The Structure of BSC

- **Client:** the position of the company from the client's viewpoint
- **Strategic goal:** image-making of the company as an innovator
- **Indicator/Measurer:** the level of renewal of product line / assortment
- **Planned value:** 50% per year
- **Initiatives:** the renewal of the assortment in product line "A" – at least 60%

Theme Example from Southwest Airlines' Balanced Scorecard

Strategy Map: Diagram of the cause-and-effect relationships between strategic objectives



Statement of what strategy must achieve and what's critical to its success

How success in achieving the strategy will be measured and tracked

The level of performance or rate of improvement needed

Key action programs required to achieve objectives



Objectives	Measurement	Target	Initiative
<ul style="list-style-type: none"> Fast ground turnaround 	<ul style="list-style-type: none"> On Ground Time On-Time Departure 	<ul style="list-style-type: none"> 30 Minutes 90% 	<ul style="list-style-type: none"> Cycle time optimization

The goals of an enterprise oriented at:

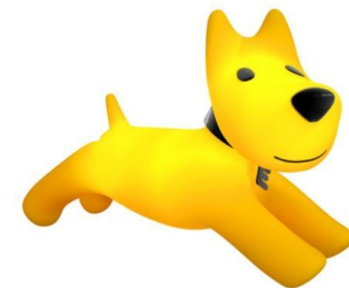
Growth

- Whole sales volume increase
- Enlargement of recurrent market share
- New markets exploration

Placement strengthening, stabilization

- Net profit growth increase
- Product quality improvement
- Increasing the share of services and accompanying goods

Euroset: strategy oriented at



• Growth

- The system of bonus payments to employees for “super-efforts”
- Matrix Management System
- More than 5000 trade outlets
- Impetuous growth financed by the cost of continuous loans and trade crediting from suppliers
- For the sake of absolute advantageous position over the competitors cost-effectiveness was supported at the level of 2%
- 2008: revenue - 3,1 bln \$, indebtedness – 950 mln \$.

• Stabilization

- 2009: 500 non-profitable outlets were closed
- 4000 out of 7000 managerial workers were fired
- The number of shops - 4300
- Profitability - 7,9%
- The decrease of assortment from 120-150 to 60-70 items
- Lower rent rate achievement
- Supplies schedule optimization
- Cooperation with mobile providers (Megaphone, the payment of each subscriber - 20,2\$)
- Efficient motivation programs for shop assistants

Designing strategic marketing plan

let's pay attention to

- Balance and conformity of the long-term and short-term marketing goals
- Analysis of the reasons for the previous success and / failure (UPS AND DOWNS)
- Balance between numerical and explanatory information
- Working-out of marketing KPI

In the final plan the following is obligatory

Clear goals' and tasks' definition

Resources in accordance with the importance

Tactics evidence

The ways to lower risks

SWOT applicability

Supply specification

Uniqueness / Originality

Analytics!