Chapter 11

THE MARKETING PLAN

-- SOLVED QUESTIONS --

1. What is marketing planning?

This integration process and strategic decision marketing called marketing planning, and a simple definition could be: “deciding ahead of time what is to be done” that is, planning an action.

2. What are the stages of the marketing plan?

These stages are the following:

a) Situation analysis

It is the first stage in any planning process, and given its sequential nature, it is the basis of all of the other stages. Therefore, any error in the diagnosis of the situation means the extension of the error into the following stages. This first stage is divided between internal and external analysis. External analysis entails the study of external factors (non-controllable) to the company, and the internal analysis studies those controllable ones.

b) Forecasts

Forecasts answer the question: What would happen if everything stayed the same? It is a critical stage, broken down into multiple forecasting factors and which requires the use of complex analysis techniques.

c) Setting objectives

With all of the previous data, objective should be set that specify the company's market aims.

d) Strategy selection

Strategies are the ways in which one attempts to meet the objectives set; they may be defined as a set of means and actions, which in an efficient way, and after having eliminated multiple options, allow for the reaching of the said objectives.

e) Programming

The program is the specifying of the chosen strategies. The times, actions, responsibilities and budgets are here. It is the most operative stage in the whole process and procedures must be closely watched.

f) Execution and control

Finally, the execution and control stage aims to constantly review processes, depending on how close or far they are from the previously fixed objectives.

3. What is the environment analysis?

Environment analysis is the detailed description of all of the aspects that, although not directly related to the market structure in which an organization competes, affects its policies and management capabilities.

4. What is SWOT analysis?

It's a summary, whose only aim is to present in a basic and clear outline form the main conclusions of the analysis. The data collecting work, selection and study has been previously done in other stages and this tool helps to put the information in order to be quickly understood.

5. Why are the forecasts useful?

They are useful to give keys as to the future evolution of the environment, market, competition and the company itself, allowing in this way, for anticipation, orientation and adaptation of the company.

6. What are the characteristics of the objectives?

They must meet the following features:

- Objectives must be quantifiable
- Objectives must be measurable
- Objectives must be realistic regarding their consecution, but at the same time they must be a challenge to the people involved.
- Objectives must be aligned among them.
- Objectives must be assigned to specific people responsible.

7. What does the programming in the marketing plan?

Programming requires the addressing of these elements:

a) The specifying of the tactical actions that will be executed.
b) The setting up of specific execution deadlines.
c) Identifying the people responsible in the execution of the decisions made.
d) The quantifying of the economic, technical and human resources required for execution.

8. When will a system of marketing control?

A marketing control system will be effective as long as it meets the following requisites:

1. Brings to light the variations with regards to the expected results with enough in advance to take corrective actions.
2. Helps identify the specific areas where variations may take place that affect the global performance of the marketing system.
3. It allows management by exception, that is, it allows management to only concentrate on the areas of the organization where the deviations with regards to the forecast have taken place.

4. It is integrated into the company control system.
5. Limits the information supplied to each manager to what they strictly need.
6. It provides information with essentially control purposes.