Company Analysis
“empowers a firm to identify its strengths and weaknesses to meet customers’ needs and expectations”

Main focus on understanding the firm’s:
• Cost structure
• Cost position relative to competitors
• Core competencies and
• Other competitively distinct resources

Successful firms use a Market-oriented Strategic Planning approach to accomplish these tasks!
Market-oriented Strategic Planning is “the managerial process by which firms attempt to develop and maintain a viable fit between their objectives, skills and resources and changing market opportunities”

Typically at 4 levels:
Corporate, Division, Strategic Business Units and Product Line or Brand
AND focused on 3 key areas:
1) managing the firm’s businesses as an investment portfolio
2) assessing each business’ strength as reflected by the market and the firm’s position in the market
3) establishing a strategy for each business to achieve long-term objectives.
Strategic Planning at Corporate & Division Levels encompasses:

• Defining the Firm’s Mission
• Identifying Strategic Business Units (SBUs)
• Assigning resources to each unit
• Planning new businesses
• Downsizing or terminating unprofitable businesses
Market Growth Rate

High
Low

Relative Market Share

High Low

Boston Consulting Group (BCG) Matrix – to Analyze SBUs

Source: Adapted from Armstrong & Kotler. Marketing – An Introduction, 8th Ed., 2007 p.41
Planning at the Strategic Business Unit (SBU) Level encompasses:

- Definition of the Business Mission
- SWOT Analysis
- Goal Formulation
- Strategy Formulation
- Program Formulation
- Program Implementation
- Gathering Feedback
- Exercising Control

To achieve its goals each product and/or brand within a SBU must develop a detailed Marketing Plan!
The Marketing Plan constitutes the central instrument for directing and coordinating the marketing effort

Integrates:

• The 3C’s: Customer Analysis, Competitor Analysis and Company Analysis

AND

• The 4P’s: Product, Price, Placement (or Distribution) and Promotion
Typical Contents of a Marketing Plan

• Executive summary and table of contents
• Current marketing situation (3C’s)
• Opportunity and issue analysis (3C’s)
• Objectives
• Marketing strategy (4P’s)
• Action programs (4P’s)
• Financial projections
• Controls
The Value Creation and Delivery Process or “delivering value to its customers at a profit,” is the ultimate purpose of a firm!

It implies:
• Creating the value
• Providing the value
• Communicating it to the target market(s)

The process implies the implementation of Strategic & Tactical Marketing Actions!
Strategic & Tactical Marketing Actions

- **Strategic Marketing**
  - Conducting Market Segmentation
  - Selecting the Target Market(s)
  - Defining the Value Proposition

- **Tactical Marketing**
  - Providing the Value (Product, Price and Placement/Distribution)
  - Communicating the Value (Promotion)

The goal of any firm should be to consistently deliver a compelling value proposition!