# Corporate Marketing Planning

Dr. Orok B. Arrey[1]

[1] Federal University Wukari

*Received: 9 December 2012 Accepted: 1 January 2013 Published: 15 January 2013*


## Abstract

Corporate marketing planning is the process by which an organization sets its long-term priorities regarding products and markets in order to enhance the value of the overall company. It is in corporate strategy, management identifies the business in which the company will be involved in the future by specifying the range of markets to be served and the kinds of products to be offered. In marketing corporate strategy decisions the critical question to be answered is in what markets will our particular resources be most effective in implementing the marketing concept. Once incorporate strategy has been chosen, management must develop a product mix strategy to identify the role each product is expected to play in building the value of business. The relative share of the firms resources to be devoted to each product of product line. This paper is focus on cooperate marketing planning.

***Index terms—***

# 1 Introduction

orporate marketing planning is the process by which an organisation sets its long-term priorities regarding products and markets in order to top-management decision are involved in corporate marketing planning-corporate strategy and product mix strategy. In corporate strategy, management identities the business in which the company will be involved in the future specifying.

? The range of markets to be served.

? The kind of products to be offered.

In marketing corporate strategy decisions, the critical question to be answer is in what markets will our particular resources be most effective in implementing the marketing concept. Once a corporate strategy has been chosen, management must develop a product mix strategy to identify the role each product is expected to play in building the value of the business. In particular, this strategy will usually specify.

The relative share of the firm's resources to be devoted to each product or product line is expected to make toward building the company's value. enhance the value of the overall company. Two kinds of

# 2 Corporate Marketing Planning

Elements of corporate marketing planning.

# 3 II.

# 4 Corporate Strategy

Author: Department of Business Aministration Federal University Wukari Taraba State Nigeria. e-mail: Orokbonifacearrey@Yahoo.Com When a new organisation is formed, it is often oriented toward the production or sale (or both) of a single product, a single service, or a line of closely related products and services and, frequently, the name of the organisation conveys the nature of the firms business.

# 5 a) Factors Influencing Corporate Strategy

Specifically, managers should be aware of the possible impact of six major environmental forces. 1. Demographic Characteristics, such as the age distribution of the population, birth rates, population growth, regional population shifts, and the percentage of two-worker householders. An examination of these forces is essential to the development of corporate strategies because these factors will shape the attractiveness of various businesses. Often such factors will create new opportunities or lead to the rejuvenation of markets.

# 6 b) Resources and Competencies

In developing a corporate strategy, top management should also analyse the resources that will be available to the organisation. In the broadest sense, resources include ? Financial resources, such as cash reserves.

? Labour and managerial skills, such as the ability to produce high-technology products or to manage large advertising budgets. ? Product capacity and the efficiency of equipment.

? Research and development skills and patents.

? Controls over key raw materials, as in the ownership of energy resources. ? Size and expertise of the sales forces or distribution system. Too often firms limit their evaluation of resources to the more tangible ones, such as cash and facilities. Yet management and marketing capabilities are often more important. For example, Frito-Lay's success in the snack business is due primarily to effective advertising management and its extensive sales force, which rotates and replenishes the stock in the retail stores. Another example is also of coca-cola company whose business is due primarily to effective advertising management.

# 7 III.

# 8 Background Literature a) Corporate Mission and Objectives

In most organisations strategic decisions are guided by some statements of corporate mission and/or corporate objectives, corporate mission refers to the broad purpose the corporate services and provides As a major diversified company, we are in business to make a reasonable profit and adequate return on our investment and to enhance the value of our shareholders investment.... In seeking to balance our desire for profitable growth with obligations, which we have to in our other various constituencies.

# 9 Environment

? We pursue profitable growth by maintaining excellence in our current business. ? Growth opportunities are actively sought from within and outside the corporation ? in areas, which capitalize upon our strengths.

? We constantly arrive for positions of market leadership. Corporate objectives reflect management's specific expectations regarding organisational performance.

As the environment changes, organisations often modify their mission and objectives. For example, the elimination of many regulations in the banking industry and increase in the number of types of financial investment products (such as money market accounts) had lead many firms to broaden their mission. In sum, the process of developing a corporate strategy is based on examining environmental problems and opportunities. Selecting corporate objectives that are consistent with these problems and opportunities. Examining the resources and distinctive competencies that can be used to implementing the strategy.

# 10 b) Types o Corporate Strategy

Organisations have two fundamental directions in which to proceed when selecting a corporate strategy; growth or consolidation. Traditional, organisations have pursued growth strategy, even when sales growth was not the primary corporate objectives. Essentially, a growth strategy is one in which sales growth (usually from new products and markets) becomes a vehicle for achieving stability or enhanced profitability, as well as sales growth.

Consolidation strategies in which firms seek to achieve current goals (especially enhanced profits through non growth means have accordingly, become increasingly popular. The three strategies that focus on current markets are thus:

? Market penetration: The term market penetration refers to a strategy in which a firm expands its marketing effort to increase sales of existing products in its current markets. Market penetration is achieved by increasing the level of marketing effort (as by increasing adversity or distribution by lowering prices). Vertical Integration: To enhance a firm's effectiveness or efficiency in serving existing markets, vertical integration strategies are selected. Such integration or intermediary (in forward integration). As a general rule, these strategies will be most appropriate when the ultimate markets are projected as having high growth potential, because the resources required to implement these strategies are usually expensive. Market Development: The market development strategy represents an effort to bring current products to new markets. Typically management will employ. This strategy when existing markets are stagnant and when market-shares increases are difficult to achieve because market shares are already very high or because competitors are very powerful. Market Expansion: A market expansion strategy involves moving into a new geographic market area. Many firms originates as regional competitors and letter move into other areas of the country. Diversification: A strategy which involves both new products and new markets is termed diversification. This strategy is likely to be chosen when one or more of the following condition exists:

? No other growth opportunities can be stabilizes with existing products or markets. ? The firms has unstable sales of profits because it operates in markets that are characterized by unstable environments. ? The firm wished to capitalize on a competence.

# 11 IV.

# 12 Presentation Strategic Alliance

Often a firm can only be successful in moving into a new market if it can acquire new resources or competencies in which cases, the firm's strategy may be to form a strategic alliance with another firm. A strategic alliance is more than a joint ventures. In the case of a joint venture, two firms essentially create a third entity which develops on its own.

In a true strategic alliance, two firms collaborate in a far more complete way by exchanging some key resources (although new entities may also be formed to enable both parties to enhance their performance. Typically, alliance involves exchanges of one or more of the resources are thus.

? Access to sales and distribution works. pursed when a firm has experienced uneven performance in different markets. For example, many oil companies have decided to concentrate their gasoline marketing efforts in a few regions of the country.

? Pruning: Pruning occurs when a firm reduces the number of product development and occurs when a firm decides that some market segments are too small or too costly to continue to serve.

? Divestment: Divestment occurs when a firm sells off a part of its business to another organization. Because this usually means that a firm is taking itself out of a product line and out a particular market, divestment is essentially the opposite of diversification. A firm typically purses divestment strategies when management becomes aware that a particular business is not meeting the organisation objectives for it.

V.

# 13 Product Mix Strategy

A corporate strategy provided an organisation with a basic direction by establishing the general product and market scope to be pursed. Given this scope, a firm usually elects to divert or prune businesses and products, which. do not fit the strategy, and to commit resources to these products and businesses, which do fit this strategic scope. A product mix strategy helps management solve the problem of establishing priorities. Specifically, a product mix strategy is a plan that specifies ? How various products or business will be prioritised for the purpose of allocating scare resources. ? What objectives will be established for each product or business to ensure that the total corporate objectives will be met? Top management can rely on two useful concepts developing a product mix strategy: The product life cycle and product portfolio models.

# 14 VI.

# 15 The Product UFE Cycle

The product life cycle (Plc) concepts play an important part in the development of a product mix strategy. It helps managers to identify the significance of sales trends and to assess the changing nature of competition, costs, and market opportunities over time. The product life cycle (Plc) represents a pattern of sales over time, with the pattern typically broken into four stages.

# 16 Unit use

# 17 Stages of Product Cycle

# 18 Time

The four stages are usually defined as follows: 1. Introduction: The product is new to the market.

Since there are therefore no direct competitors, buyers must be educated about what the product does, how it is used who it is for, and where to buy it.

2. Growth: The product is now more widely known, and sales growth rapidly because new buyers enter the market and perhaps because new buyers find more ways to use the product. Sales growth stimulates many competitors to enter the market, and the major marketing task becomes to build market share.

# 19 The Corporate Plan and Middle Management

The corporate marketing plan is important to marketing managers in two respects. First in most organisations, marketing plays major role in influencing corporate and product mix strategy. Second, all marketing personnel are responsible in one way or another for developing and implementing the marketing strategies and programs necessary for achieving corporate objectives and product objectives.

# 20 VIII.

# 21 Recommendation

In deciding which corporate strategy to select, it is important to identify a firms distinctive competencies that is, an organisation must have the specific resources required to be successful in the specific product and market areas in which it will compete.

In selecting these objectives, portfolio, models and the product. Life cycle is useful tools. In general, product objectives should be determined on the basic of a firm's competitive strength in the market and on the attractiveness of the market as measured by opportunities for growth and profitability.

# 22 IX.

# 23 Conclusion

Corporate strategies provide the blue print for the long-term development of a viable, profitable organisation by establishing the markets be served and the products and services to be offered. Corporate strategies are selected on the basic of an analysis of environmental factors (especially market growth), corporate resources, and long-run objectives.

Product mix strategy is an essential element in corporate marketing planning because it forms the bridge between corporate strategy and the development of marketing strategies and programs on a product objectives, which indicate the role each product is expected to play in meeting the firms feature growth and profitable requirements.

Figure 1: ..

[Grey]  , Grey .

[Beyond the product life cycle Journal of marketing (July)]  ‘Beyond the product life cycle’. *Journal of marketing* July.

[Raymond and Barkade ()]  ‘Corporate strategic planning and interface?’. Mary Anne Raymond , Hiram C Barkade . *Business Horizons* 1989.

[Cravens ()]  David W Cravens . *Strategic forces affecting marketing Strategy Business Horizons*, 1986.

[Evolutionary processes in competitive markets ()]  *Evolutionary processes in competitive markets*, 1989.

[Lenz ()]  ‘Managing and Evolution of the strategic planning process’. R T Lenz . *Business Horizons* 1987.

[Anderson ()]  ‘Marketing planning and the theory of the firm’. Paul Anderson . *Journal of Marketing spring* 1982.

[Hall ()]  *Reflections on Running a Diversified company*, George E Hall . 1987. Harvard.

[Daniel ()]  ‘Users and Misusers of strategic planning’. H Daniel . *Havard Business Review* 1987.