Marketing Planning
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About this workbook

The unit

The main purpose of this workbook is to support you as you study for the Chartered Management Institute Level 5 in Management and Leadership qualifications, so it specifically focuses on the content of the syllabus for Unit 5008 Marketing Planning.

This workbook provides underpinning knowledge and develops understanding to improve your skills as well as to prepare you for future assessment. If you are studying for the Level 5 in Management and Leadership qualifications, then you will be assessed by your approved centre on ‘your knowledge and understanding of’ the following learning outcomes:

1. Be able to understand the meaning and role of marketing in achievement of organisational objectives.
2. Be able to identify the organisation’s current and future position in the sectors or markets in which it operates.
3. Be able to devise and implement a marketing plan that contributes to achievement of organisational objectives.

The aims of this workbook

This workbook aims to help you learn how to:

- understand your role in relation to your organisation, clients, customers and stakeholders, and the wider environment in which your organisation operates
- identify, predict and monitor the needs of customers/stakeholders
- plan to meet stakeholder requirements.
## Syllabus coverage

The table below shows which sections of the workbook address each of the assessment criteria of the qualification syllabus.

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Getting started

These days most organisations recognise that they won’t exist without satisfied customers. They have to shape their products and services to their customers’ needs. Customers are increasingly demanding and sophisticated. Your organisation is unlikely to be the only one offering the product or service your customers need. Suppliers compete heavily to attract customers: winning business is hard work and it takes so little to lose it. Unless you keep in touch with your customers, you may lose their business and never know why it happened.

Your aim and the aim of your organisation should be to give your customers what they want in the first place and, if that fails, to get them to tell you (not their friends) about it so that you can put it right. This is true of every interaction in business. Organisations not only have to say that they are working to meet customer needs, they have to demonstrate it. Being customer-driven requires an attitude and an approach to working that has to permeate the whole organisation. Attempting to take a ‘customer focus’ with the same old way of working is not enough. The whole process may need to change.

Organisations also recognise the cost-benefits of being able to retain existing customers through providing good customer service, rather than focusing solely on activities that will bring in new customers. As described by Christopher, Payne and Ballantyne (1996):

> By placing too much focus on marketing activities directed at new customers, companies often experience the ‘leaking bucket’ effect, where customers are being lost because insufficient marketing activity generally and customer service specifically, is being directed to them.

This workbook explores how organisations put customers at the heart of their thinking and their organisational planning and procedures. As a manager, you need to understand the requirements of customers, the often conflicting demands of relevant stakeholders, and the environments in which the organisation is operating. Understanding the ‘bigger picture’ will enable you to make better decisions when planning the day-to-day operations of your part of the business.

How to use the workbooks

The workbooks provide ideas from writers and thinkers in the management and leadership field. They offer opportunities for you to investigate and apply these ideas within your working environment and job role.

Structure

Each workbook is divided into sections that together cover the knowledge and understanding required for that unit of the Chartered Management Institute Level 5 in Management and
Leadership. Each section starts with a clear set of objectives that identify the background knowledge to be covered, and the management skills in the workplace that enable you to demonstrate this knowledge. You do not have to complete the sections in the order they appear in the workbook, but you should try to cover them all to make sure that your work on the unit is complete. There are self-assessment questions at the end of each section that allow you to check your progress. You may want to discuss your answers to these questions with your line manager or a colleague.

Activities
Throughout the workbooks there are activities for you to complete. These activities are designed to help you to develop yourself as a manager. Space is provided within the activities for you to enter your own thoughts or findings. Feedback is then provided to confirm your input or to offer more ideas for you to consider.

To get the best from the workbooks, you should try to complete each activity fully before moving on. However, if the answer is obvious to you because the issue is one you have encountered previously, then you might just note some bullet points that you can then compare quickly against the feedback. You may sometimes find it difficult to write your complete response to an activity in the space provided. Don’t worry about this – just keep a separate notebook handy, which you can use and refer to as needed.

Try not to look at the feedback section before completing an activity. You might like to cover up the feedback with a postcard or piece of paper while you are working through an activity.

Timings
Timings are suggested for each section and activity, although it is important that you decide how much time to spend on an activity. Some activities may occupy only a few moments’ thought, while others may be of particular interest and so you might decide to spend half an hour or more exploring the issues. This is fine – the purpose of the activities is to help you reflect on what you are doing, and to help you identify ways of enhancing your effectiveness. It’s always worth writing something though even if it’s brief – the act of writing will reinforce your learning much more effectively than just referring to the feedback.

Scenarios
There are scenarios and examples throughout each workbook to illustrate key points in real workplace settings. The scenarios cover a wide range of employment sectors. As you work through, you might like to think of similar examples from your own experience.
Planning your work

The reading and reflection, scenarios and activities in each section of the workbooks are designed to take around two hours to complete (although some may take longer). This is a useful indicator of the minimum length of time that you should aim to set aside for a study session. Try to find a quiet place where you will not be interrupted and where you can keep your workbooks, notes and papers reasonably tidy. You may also like to think about the time of day when you work best — are you a ‘morning person’ who likes to get things done at the start of the day, or do you work better in the evening when there may be fewer disturbances?

Preparing for assessment

Further information on assessment is available in the Student Guide produced as part of the Pathways to Management and Leadership series. If you have any further questions about assessment procedures, it is important that you resolve these with your tutor or centre co-ordinator as soon as possible.

Further reading

Suggestions for further reading and links to management information are available on the Student Resource Centre section of the Institute website at www.managers.org.uk/students. Alternatively, email mic.enquiries@managers.org.uk or telephone 01536 207400. You will also find titles for further reading, including websites, in the Bibliography at the end of this workbook.
Section 1  The meaning and role of marketing

Time required: about 2 hours

Learning outcomes
By the end of this section you should be able to:

1.1 Explain marketing as a management process
1.2 Describe the role of marketing in identifying and predicting the needs of current and potential stakeholders
2.1 Discuss the current position of the organisation within its chosen sector or market.

A marketing culture
Marketing is defined by the Chartered Institute of Marketing (2008) as:

... the management process responsible for identifying, anticipating and satisfying customer requirements profitably.

There’s still a lot of confusion about the term ‘marketing’. Many people equate marketing with ‘selling’ or ‘promoting’. Put simply, marketing focuses on customers. An organisation that adopts a marketing culture puts the customer at the centre of all business decision-making and planning (not just marketing department decision-making and planning). An organisation with this culture is said to be ‘marketing-orientated’ or ‘customer-centred’.

Therefore, the philosophy of marketing is applicable to all sectors, irrespective of whether the customer has the purchasing power.
Section 1   The meaning and role of marketing

In order to understand the meaning and implications of being marketing-orientated, we need to look at the distinctions between companies that are:

- marketing-orientated
- sales-orientated
- production-orientated
- product-orientated.

Activity 1.1   (about 5 minutes)
Read the descriptions of the four companies below, and for each one identify which of the four possible orientations listed above best fits the organisation.

Company A
‘We believe that our products are the most innovative on the market. Our quality is second to none and we’ve gone all out to develop the best design team in the business.’
Orientation of company:

Company B
‘Our salespeople understand how to get the customer to sign on the dotted line. Most customers really want to purchase our product when they see it; they just need a little push to make up their mind.’
Orientation of company:
Company C
‘Customers can be very fickle sometimes. We’ve just had to change a specification because the customer wanted something else at the last minute. This also affected our production schedules and our delivery department, and everything had to be recosted. Still at least everyone pulled together on this one.’

Orientation of company:

Company D
‘The customer can have any colour, so long as it’s black.’

Orientation of company:

**Feedback**

*Company A is product-orientated; the attitude is that a good product will sell itself. The attitude in Company B is that aggressive hard selling is all that is required — it is sales-orientated. Company C is marketing-orientated; the attitude is that even though it is sometimes difficult, everyone in the company must try to satisfy the customer. Company D is production-orientated. (You’ll see next how this attitude is characterised by an almost exclusive focus on production efficiency and effectiveness.)*

You may have recognised Henry Ford, the founder of the Ford Motor Company, as the speaker featured in Company D. Ford was said to have uttered this much-quoted phrase about the world’s first mass-produced motorcar. In the 1920s, Ford’s major concern was with the problems of producing cars in sufficient volume and at a price the huge, latent, mass market could afford. The colour of his cars therefore mattered little to Ford, other than the fact that producing only one colour enabled output to be greater and prices to be lower. At that time, Ford’s focus on production rather than on the colour preferences of his customers was right. Customers were less interested in colour than in availability and affordability. So in this case, Ford’s approach was right.

This is an important lesson to learn. The need to be customer-centred (Company C in the example) is a function of the competitive conditions now faced by companies. The necessity for companies to have a marketing orientation is the result of a gradual process of evolution, as societies, manufacturing economies and customers have evolved.

**Difficulties in creating a marketing culture**

Many organisations are striving to introduce a marketing culture, but it can be difficult. Lancaster and Withey (2003) highlight the difficulties in managing the introduction of a customer-orientated culture:

- Managers fail to realise or understand the true concept.