

Productivity and Performance through Marketing Planning

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***Abstract.** In the marketing area, planning might be defined as an anticipation process of those changes that affect the market and as an elaboration process of the corresponding action means. It will result in a marketing plan, which might be tactical (short-term period), spread on a period of time that might vary from six months to one year, or a strategic (long-term), spread on a period of time of three to ten years.*

Planning means building action programs in which the objectives, the set financing method or the steps of achieving it should be clearly defined. Marketing planning also proves to be important for its liaison between what the company can offer and the consumers' needs and expectations.

Key words: planning; marketing strategy; strategy; strategic objectives; SWOT analysis.

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I. Considerations regarding the marketing planning

The advantages of a marketing planned activity lead to developing some more realistic objectives taken out from the organization's general objectives and a more elevated managerial motivation, towards a superior cooperation between the organization's components (sectors, services, departments etc), towards an easier personnel coordination and efficiency in resources allocation.

As huge corporations within modern economy are structured on four levels (central, directional, business and product), the settlement and fortification of a viable position on the market in an environment situated in a continuous evolution, demands the existence of a strategic planning approach at the central level and, at the directional one, an activities planning tactic at the business level and a marketing plan at the product level.

It is therefore obvious that strategic planning efficiency might be obtained through its assurance on each level (superior organizational level, that of strategic business unity and the functional one) and through the interaction between them.

Strategic planning defines the firm's mission, identifies the strategic activity domains, and plans the new domains where investments could be made. This planning sets the general direction and the important headings that define the company's activity.

Following the General Electric matrix, the strategic activity domains should have the subsequent criteria:

- To correspond to some function that could represent an autonomous planning strategy and it exists

independent from the rest of the company;

- To have its own competitive structure.

After deciding on the activity domain, analyses and evaluations will be made in order to identify those aspects that need development, maintenance, exploitation or quitting.

The Boston matrix, realized by Boston Consulting Group, represents an useful tool for companies, used for the product portfolio's analysis by highlighting the financial and marketing implications. The matrix proposes the positioning of different activity domains within a picture split in four pieces, depending on the marketing growth rate and the relative market value.

Activity planning can be realized at the level of operational superiors. Thus, each activity domain should set a specific mission – component part of the company's global mission and it helps identify its environment.

Another used matrix, General Electric Business Planning Grid, is meant to improve the BCG estimates, forcing the planners to quantify and test their presumptions.

It is difficult to formulate a planned activity where there is not an organizational culture and professional personnel. Their lack can lead to confusions or mingling elements such as political, strategic, tactical and objectives.

The planning objectives in marketing must be defined at all planning process's levels, for the company as a whole, and for each target-element. The objectives' settlement process is usually of a descendent nature but, it can also be ascending when the objectives' correction needs to be done. What do the objectives pursue? Most often the sales' volume on different components (categories, clients, time-periods, etc.), the

market value, research-development, product innovation, product-line extension, aspects concerning efficiency, profit, the organization's relation to the surrounding environment concerning ecological and social issues, the promotion of a favorable image, etc.

Fixing marketing objectives will allow those in charge on each activity field to control obtained results' efficiency annually or at the end of each commercialized cycle by understanding the connection between obtained and expected results.

Moreover, these objectives will serve to define activity plans, will help put dimensions and structure to commercial activities (technical services, commercial services, administrative services, logistics and sales services etc.).

The procedure of objectives' formulation is specific for each level of responsibility and it contains:

- a. the evaluation phase (internal/external);
- b. the prediction phase;
- c. the resources allocation phase.

The evaluation phase

This phase wants to set:

a) the internal evaluation: study on the potential that highlights the strong and weak aspects and the level at which they are situated. For instance: the company that has to evaluate its competences and the means of action before deciding on the means of action and development;

b) the external evaluation: study on the environment that seeks to identify the threats and opportunities. This evaluation can be flexible or adaptable to diverse factors such as: the evolution of the economical situation, the emergence of a new legislation, the appearance of the new distribution circuits, the producers' political change. Their ability

to observe revolves in noticing those opportunities generated by the environment, in reducing risks by supporting those forces that they have and by taking into consideration the weaknesses in order to improve them.

The evaluation has as its basis two logical ideas: one that leads to determining possible solutions, the other that leads to fixing the objectives. In a decisional view when many solutions are possible (marketing studies, advertising campaigns, sale-forces recruitment), these two logical ideas that are complementary need to be taken into consideration: choosing the right solution by standing on some objectively beforehand defined criteria. That is why such an intervention might be useful when defining the mix between marketing and its component politics.

The prediction phase

In order to define the objectives and find the means to apply them so as to achieve the desired results, the company needs to use the prediction methods, classified in two different manners:

- For the strategic planning:
 - Either a horizon function, which allows the distinction between the prediction methods on a long-term basis from those on a middle of short-term;
 - Either a function of the information nature and of the continuous development, fact that will lead to separating qualitative and quantitative methods;
- For a marketing planning:
 - Prediction methods for choosing activity strategies, such as those qualitative: the method of expert consulting the method of crossed impact, systems analysis, structural analysis and qualitative methods;

– Prediction methods for marketing planning (for a market, a part, a product).

Therefore, marketing planning methods, which undoubtedly turn to analytical methods, focus on a great market closure. Moreover, they are closer to the marketing strategies.

The resources allocation phase

It is the moment when a budget is being developed that needs to correspond to each objective. The document that reflects all the abovementioned is the marketing plan. This represents the manifestation of the planning process and is part of the business plan. Its importance could not be doubted because experince has shown that it is the key to success.

II. Content of a marketing plan

The marketing plan is situated at the product level. This plan benefits of a certain flexibility that allows the adaptation to the company’s organizational culture and presumes the approach of some delicate strategies, forcing the company to analyze periodically the situation of some products on the market and predict the evolution

simultaneously with anticipating the competing companies’ actions.

This plan especially allows the antagonist evaluation of the advantages of some product and periodic revising taking into consideration the obtained results. At the same time, the marketing plan involves efforts coordination and individual action control. Hence it also has a control role when the management wants to evaluate the stage of the actions.

Achieving the marketing plan allows the company’s better adaptation to the market demands. The company is forces to examine the new product and market developmental possibilities, to admit the changes and moves that intervene at the middle level creating an advantage for the appropriate use of financial, human and material resources. The marketing plan is, therefore, the indispensable planning tool of every company.

For every activity level (product, range, label) such a plan needs to be elaborated. At the company level, several marketing plans embodying themselves of some sort act in different areas. There is not a standard structure for this document, but, additionally, we will present a possible model and the absolutely necessary chapters.

Content of a marketing plan

Table 1

Chapters	The chapter’s content
Managerial summary	Summarizes the main suggestions provided for the general manager’s approval.
The marketing situation analysis	Summarizes the essential data in rapport to the company’s environment, product, demand, competition, intermediates
SWOT analysis	Presents the main opportunities and threats, strong and weak aspects.
Objectives	Specifies the means that the company is trying to achieve accordingly to the business volume, market parts and profit.
Marketing strategy	Identifies the fundamental directions chosen in the marketing area for the desired targets
Action methods	For each action it is indicated what should be done, when, why and by what means, and the given budget
Budget	A quantitative and a financial prediction of desired results are being set.
Evaluation and control systems	It is indicated the method of following and evaluating the plan.

Source: Enache, E. et al. (2006). *Marketing*, “Independența Economică” Publishing House, Pitești.

1. Managerial summary and the plan's content

A marketing plan should begin with one or two pages summary that has essential elements, purposes and the main recommendations. This summary is meant to provide the general manager with the global appreciation elements of each plan as well as providing some key values.

2. The marketing situation analysis

Those who elaborate the plan successively analyze: the macro-environment, the product demand, the competition, and the intermediates. These data are typed down and centralized.

- The macro-environment. The tendencies in the demographic, technological, economical, political, judicial and socio-cultural evolution are identified as parts of this plan;

- The demand. The essential data relative to the market to which the company is addressing is presented: dimension (value/ volume), evolution, segment restoration. Another part is dedicated to the client's needs, perceptions and images as well as the evolution tendencies of the buying process.
- The products. The commercial results are indicated, the contributions and benefits obtained on each product line in the last years or, in the new products' case, the probable repartition on the great consumer categories.
- The competition. The main competitors are identified and studied as concerns size, objectives, results, marketing strategies, partnerships and other relevant characteristics for their

intentions and behavior.

In this picture a PEST analysis can be included dealing with those elements that affect the organization, but cannot be controlled: political factors (national and international improvements, taxes, normative acts, general constrains or those of the local authorities, conflict behaviors); economic factors (inflation, recession, costs, the evolution of the rate exchange, credit access); socio-cultural factors (age, sex, lifestyle, health level, culture and education, the impact of problems on the surrounding environment and the level of comprehension); technological factors (inventions, innovations, management systems).

3. SWOT analysis

Starting from the given data on the commercial environment, the marketing supervisor announces the opportunities and threats, strengths, weaknesses and major direction reflections that characterize the company's situation or some specific entities regarding the plan.

- Opportunities and threats correspond to those external susceptible elements so as to affect the firm's evolution.

An opportunity's value is linked to its attraction level and its success probability, fact that depends on the distinctive company's competences, on the activities that the company does in its special way and the performance towards the success key factors, the conditions of opportunity value. What can an opportunity constitute? For instance: opening new markets, extending the existent one, recreating the market after a period of fall or recession, creating a new brand, legislative advantages etc.

Threats are an issue resulted from an unfavorable tendency or environment disruption that, in the absence of an useful marketing activity, leads to the company's position deterioration. A threat is dangerous when it profoundly affects the company's advantages and when it drives apart the firm's chances of development. For example: some new and strong competitors' entering the market, consumers' drop of interest for a certain product, legislative disadvantages.

- Strengths and weaknesses are determined by an internal evaluation. Therefore, all activity areas need periodical evaluation. For this, it is frequently being used an analysis matrix and a periodical reexamination of different sectors' competences is done (marketing, finance, production and human resources). Forces can be identified in the company's positive image and in the products, the good market position being reflected in the increased market value, professional and experimented personnel, activity done according to plans and clear schedules. Weaknesses do not have the same consequences, very disturbing being those that affect the high sensitivity activity fields. We enumerate: high activity costs, dropping sales so low profit, unqualified personnel in an inefficient working environment, etc.

4. Objectives

This part describes the company's decision as concerns objectives and marketing strategy for a given period of planning and it represents the most important part of the program.

Financial objectives expressed by the advantage rate on medium term will be

shown, the company's capability of self-funding and annual benefits, as well as marketing objectives, meaning that, we can say, that translating financial objectives into specific indicators: the business cipher, sales volume or market value. Talking about the market value, we extend as objectives notoriety, enlarging the distribution line, creating favorable images etc.

Rarely does the company settle one sole objective. Traditionally, these refer to improving the advantages, raising the business cipher, gaining some new markets segments, diminishing risks and innovation. These objectives can happen directly from the firm's mission and can represent developing criteria. They can be integrated in a keeping by objectives system in which they are hierarchical placed, quantified and analyzed as concerns realism and coherence.

- Hierarchical: Different objectives that we struggle to achieve in a certain activity field do not have the same importance. This means that they need to be ranked according to priorities. For example, an advantageous objective can be reached enlarging the benefit or reducing the invested capital. The profit results from the business cipher and from costs. The business cipher can be obtained by multiplying a volume with a price. Acting this way, we can specify, in more detail, the global objectives.

- Quantitative: Objectives need to be quantified as much as possible. Deciding that "the advantage needs to be enlarged" is not sufficient enough, but predicting that "the advantage will rise from 9 to 12% in the future two years" constitutes a significant improvement.

- **Realistic:** Realism in choosing the objectives is very important for a company. Deciding on an advantageous plan, impossible to achieve might create uproar. That is why the final choice needs to be done starting from the market opportunities' analysis and the internal company's resources.

- **Coherent:** The company cannot optimize all of a sudden all objectives. It needs to find equilibrium between the already made production and the market terms, the penetration of the existing markets and the development of new markets. The financial and the non-lucrative objectives (for example, the social and the security ones) need to be equally correlated.

5. Marketing strategy

In this part of the plan, the marketing supervisor outlines the strategy's essential traits that will be applied. A marketing strategy does not constitute a collection of isolated acts, but rather a general orientation of the overall efforts needed to achieve the desired objectives. This strategy needs to be described in a clear and yet concise manner.

Elaborating the strategy, the marketing supervisor will try to benefit from the help of other functions and that of the partners involved in applying the plan: production, purchase (acquisitions), finance, human resources etc. He will contact the production and acquisitions compartments in order to verify whether sufficient quantity of raw materials was ordered and if the production programs are compatible with the commercial ones; he will also discuss with those in charge of the distribution area so as to fortify the bilateral cooperation and so on.

So, strategy formulation is strongly inspired by the information resulted from the situation. It is important to remember that strategies always need to be coherent and convergent with the objectives. Below, we shall enumerate the marketing strategies that the company is having:

- **Growth strategies:** applied when a progressive development is anticipated. The expected results are, in general, the market sector growth, the business cipher's growth and the sales volume.
- **Stability strategies:** could be applied when the sold product is at the maturity stage, when the clients are already decided, the annual sales cipher is going through a constant growth and certain environmental changes take place slowly.
- **Withdrawn strategies:** concern cost reduction, the number of sold products or the offered services, the association with another company, etc.
- **Differential marketing strategies:** they have as target the satisfaction of a larger part of the total market sector and offer numerous products adapted to different market segments.
- **Concentrated marketing strategies:** the company is focusing all efforts to satisfy a very precise market segment.

6. Action methods

The strategy identifies the route to be followed in order to reach the already set objectives, but for each decision answers to a series of questions concerning the specific action taken into consideration should be found, the time in which it the strategy will

be applied, the resources, means, necessary costs, this being the action plan's purpose.

In this section references concerning each person's responsibilities as well as the stages' deadlines are made.

7. Budget

The action plan allows the marketing supervisor to prepare a budget, most frequently, under the form of a predicting calculus result. Besides the products that are about to be made, it is also mentioned the quantity needed to be sold and the sale price.

Sometimes several budgets are prepared corresponding to some optimistic or pessimistic hypotheses. Once approved, with or without modification, the budget becomes the orientation document for buying raw materials and scheduling the production, preparing and recruiting workforce and actions in the commercial sector.

8. Control

The control process involves one or more objectives, a restore information system that compares the results with the initial objectives and a system that allows readjusting the activities so as to make them compatible with the objectives.

The necessity of a control system is meant to:

- Assure that the company's objectives and those of the marketing sector will be reached and that the company is heading towards the right direction;
- Guarantee the efficiency of using marketing resources;
- Put in equilibrium the marketing forces between different services;

- Reevaluate the purposes and marketing performance norms.

Control cannot be occasional being a continuous process and its results should bring about all the knowledge that will become part and parcel of the future planning incomes to the person in charge of the marketing sector.

A good control system predicts the elaboration of several plans, alternatives for the changes that occur in the company and the arousal of some specific hindrances, as well as a prices battle or a supply break.

The elaboration of alternative plans obliges the person in charge of the marketing sector to anticipate difficulties that could disturb applying and achieving the objectives.

III. A marketing plan creating model

It's generally better to study the others' experience and to take over it. But taking into account the fact that the activities and organizations are never identical and have no the same directions of development, the taking over must be accompanied by adapting, correlation to the own problems and improved by own competence.

The model we'll present you has been drawn up after we have examined the following five stages:

Stage 1 – the position of the product/ service, which is very necessary because we can really speak about success when the client benefits by the proper product or service and a proper price.

Stage 2 – the exploration of the creative potentiality. We try to find out answers to some questions, such as: Whom do you offer to? What are the clients' needs? Why would they

choose our offer instead of the others' one? What are the efforts and marketing techniques which make our product being remarkable? How much does the effort cost? We can find out the answer to these questions from our confidential consultants during the brainstorming meetings: the attendants, specialists, friends, family. They aren't to be neglected as they can have excellent opinions. It's not enough just one meeting; we need more because in this way we get the best suggestions, we have the possibility to distinguish from the best ones.

Stage 3 – listening to the clients' opinion. They'll decide if the buy or not and the answer to the question "Why do they buy?" is essential. Someone looks image and brand, someone else looks for additional services or for a good price, for quality. Their thoughts and opinions can be found by means of classical questionnaires, e-mails, telephone calls, direct discussions which can be stimulated with gifts, samples or prices cutting.

Stage 4 – sketching of the plan. It becomes possible after we acquire a general image about the conditions of the external environment and of the clients'. According to the structure we've presented, the plan will include:

- a summary of the organization's position in the market and of its aims;
- a clearing up of the expectations ("We'll stage two new plays, a comedy and a drama"; "We'll sell 3,500 insurance policies till the end of the first semester", etc.);
- the list of the markets we take aim at;
- the strategy for each aim or groups of similar aims;

- charges, resources and the way they'll be allocated;
- marketing canals – what type of distributions and forms of promotion are chosen? For example: folders, books, postcards, e-mails, news lists, web-sites, vehicles, etc.;
- competitive strategies. How can we reply to a competitor if he reduces the prices? How can you convince a person to choose you?

Stage 5 – aiming at results. It's necessary to stipulate evaluation methods for proposed marketing plan. Thus, we'll find out if our effort yields results or we have to think of a new approach. The marketing calendar is also very important, with its fixed dates and responsible persons.

IV. Case study: marketing plan for the performances rising applied by the "Maria Filotti" theatre from Brăila

We've worked out this plan at a theatre because we find in culture as well as in other branch of activity the same obsessing questions: "*What are the mechanisms we have to use to be aware of need culture?; What are the moral supports that make a person be a consumer of culture in conditions given by the social, economic and political factors?*".

In other words, what must managers do that the theatrical institutions to be up to the superiority of our new millennium?

This question concerns as from 1990. Using an example, we'll try to prove that the marketing is universal, that a good marketing plan represents the key of the success and the

respective institution has already got a great experience which can be extended. We speak about the “Maria Filotti” Theatre from Brăila, which is the standard of national spiritual life and that celebrated 155 years of theatrical activity and 55 years of permanent activity in 2004. We use this example because the managers of this theatre have already understood the important role of the marketing, what useful instrument can be if it is well-used. Thus they’ve already used it, providing through all means of knowledge and communication the activity and future of this theatre.

Some remarkable results of this theatre that we can mention are:

- The Project of the International Theatre Festival – “Days and nights of European Theatre in Brăila”, its aim being the presentation of the values of the national and European dramaturgy, the invitation of some impressive European theatrical teams, the promotion of some great plays in theatres as well as in non-conventional places, the organization of some theatrical workshops, meetings with personalities of the European theatre, the exhibitions of scenography and photography, etc.;
- The International Competition of Vocal Music “Hariclea Darclée”, a great step to European cultural integration;
- The PHARE Project – “Therapy through theatre”, for the social integration of the young people who have health problems;
- The school theatre festival, organized together with the School Inspectorate

from Brăila, which from 2001 gets new dimensions and value through the number and quality of the teams;

- The endowment with modern means of transport which allow traveling in places that have no such institutions necessary for education and culture;
- Changes of performances, actors and stage managers with similar institutions etc.

In spite of its achievements, the theatre had difficult moments on its contact with the audience which – known fact – keeps it alive. The influence towards the audience represents the main indicator of the activity and that’s why the idea of a marketing plan is so important. Being concerned with this indicator and new forms of relations with the audience, the managers used first the market study, the instrument which reveals certain “anonymous truths”.

There were realized three surveys among students, citizens of the town and local businessmen, to find out their opinion regarding to the “Maria Filotti” Theatre. Beyond the technical details about the stages of the study (sample, questionnaire, collective and processing information), the conclusions were relevant. In our opinion, they are applicable to many theaters from Romania and they are the basis of some managerial strategies.

What did we hear from the young people, this target group being one of the theatre’s favorites? They don’t go to the theatre as before (1989) because the television is the “enemy” number one now. In this way it’s necessary that something better to attract them than an armchair and a bowl of popcorn in

front of the TV-set or a channel which broadcasts only music. There aren't broadcasted plays on the most channels we have access to and thus this kind of program can't influence the young people's opinion regarding to watching plays.

Sometimes the pupils and students go to the theatre because the school or other organizers carry on an activity there. Another hidden reason for what the young people didn't go to the theatre is the fact that most of them work many hours a day and, at the same time, they have to learn and thus, they don't benefit by enough spare time. If they don't get information about performances, they'll be pleased with the cultural relaxation and entertainment offered by television. If they saw more posters and will be convinced by a theatric agent, if the theatre were as a library where you stay for a while to borrow or return a book, if the plays weren't performed on Saturday or Sunday evenings when a date is more romantic, if the actors were more mediated and people looked at them in the street, then the chances of the theatre would increase. The study also reveals that if more comedies or plays about the young people's life problems were performed, if the plays weren't too long and during the break between the acts the audience talked to the actors, the chances that the young people to come to the theatre would be bigger.

What we've heard from the citizens confirms the idea that in our contemporary society people would like to dedicate more time to the art and culture, but they work too much or not at all and tiredness and routine are hard to overcome. Television represents

the same main rival of the theatre; in this case we can say a greater extent than in the case of the young people. As options, the comedies remains on the first place, but the favorite authors are different: the old people prefer classical authors and young people prefer contemporary authors (But do they really know the classics?). We can also establish a parallel between the preferences regarding to the authors and those regarding to the hours. Even most of the institutions where work the interviewed people don't organize cultural shows, they concern themselves with this aspect.

The conclusions of *the third survey, which of the businessmen*, are interesting: many businessmen consider that the employees have to be rewarded, so they organize different shows for them; but most of the employers choose the relaxant open air activities etc. The employers would like to enter into relations, partnership, to support the theatre, to be closer by it, but all these of the own accord of the theatre.

Here are, in short, the most relevant conclusions of our study which were analyzed during more meetings of the Artistic Council and those of the Board of Directors and then they took decisions which being used in a marketing plan, conducted to changes. At present, the theatre has a repertory for all ages and preferences; it has an excellent co-operation with schools, secondary schools, universities, administrative and business environment, it has got many shows with full halls, more and more invitations in our country and in abroad. At the same time, the theatre succeeded in using of own funds and to increase them.

Being aware of the advantages of the planned activities, on the basis of realities and information, the “Maria Filotti” Theatre proposes itself that, from time to time, to take again the study of the audience’s opinions, considering it an advantage for a short, middle and long term.

Conclusion

Planning in the marketing field signifies the combination of all marketing decisions according to the common objectives with the purpose of exploiting to the maximum the synergy effect of the placed effort. Planning means building action programs in which the objectives, the set financing method or the

steps of achieving it should be clearly defined.

Marketing planning also proves to be important for its liaison between what the company can offer and the consumers’ needs and expectations.

The marketing plan represents in fact a map and the organization will take its cue from it in the whole activity. To be efficient this plan has to be applicable, clear, complete, flexible, useful and simple. In other words, the efficiency will be guaranteed if the marketing plan is well-understood and applied, adaptable to the possible changes, if the aims and methods are realistic and if the plan is adaptable to all key-factors of the market.

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