

School of Business

Course Code : SOBO1001

Course Name: Hospitality Services Sales &
Marketing

Marketing planning

GALGOTIAS
UNIVERSITY

Name of the Faculty: Dr. Shailendra Kumar Srivastava Program Name: BHM/B.Sc. In Hospitality



Marketing planning

- Successful companies are driven by a market orientation and strategic planning
- Strategic plan is only the starting point of planning
- It serves as a guide to the development of sound sub-plans or business plans to achieve the organization's objective
- These business plans are prepared for each division, product category, product, and important target markets.



Marketing planning

- The business plan has three purposes:
 - It serves to develop a strategy
 - It serves as the justification of the budget request
 - It provides as an instrument for monitoring ongoing progress and making corrections during the plan implementation period



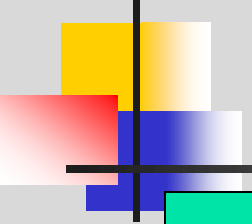
Marketing planning

- A crucial part of every business plan is the marketing plan
- The marketing plan operates at two levels:
- Strategic marketing plan
 - develops the broad marketing objectives (MO) and strategy based on an analysis of current market situation and opportunities
- Tactical marketing plan
 - outlines the specific marketing tactics for the period, including advertising, pricing, channels, services etc.



The marketing process

- Two views of the value-delivery process
- “Firm proceeds to make something and then to sell it” – traditional view
- “Marketing at the beginning of the business planning process” – present view
 - choosing the value, providing the value and communicating the value



Make the Product



Sell the Product

Make the Product

Product Design

Procure raw material

Production

Sell the Product

Pricing

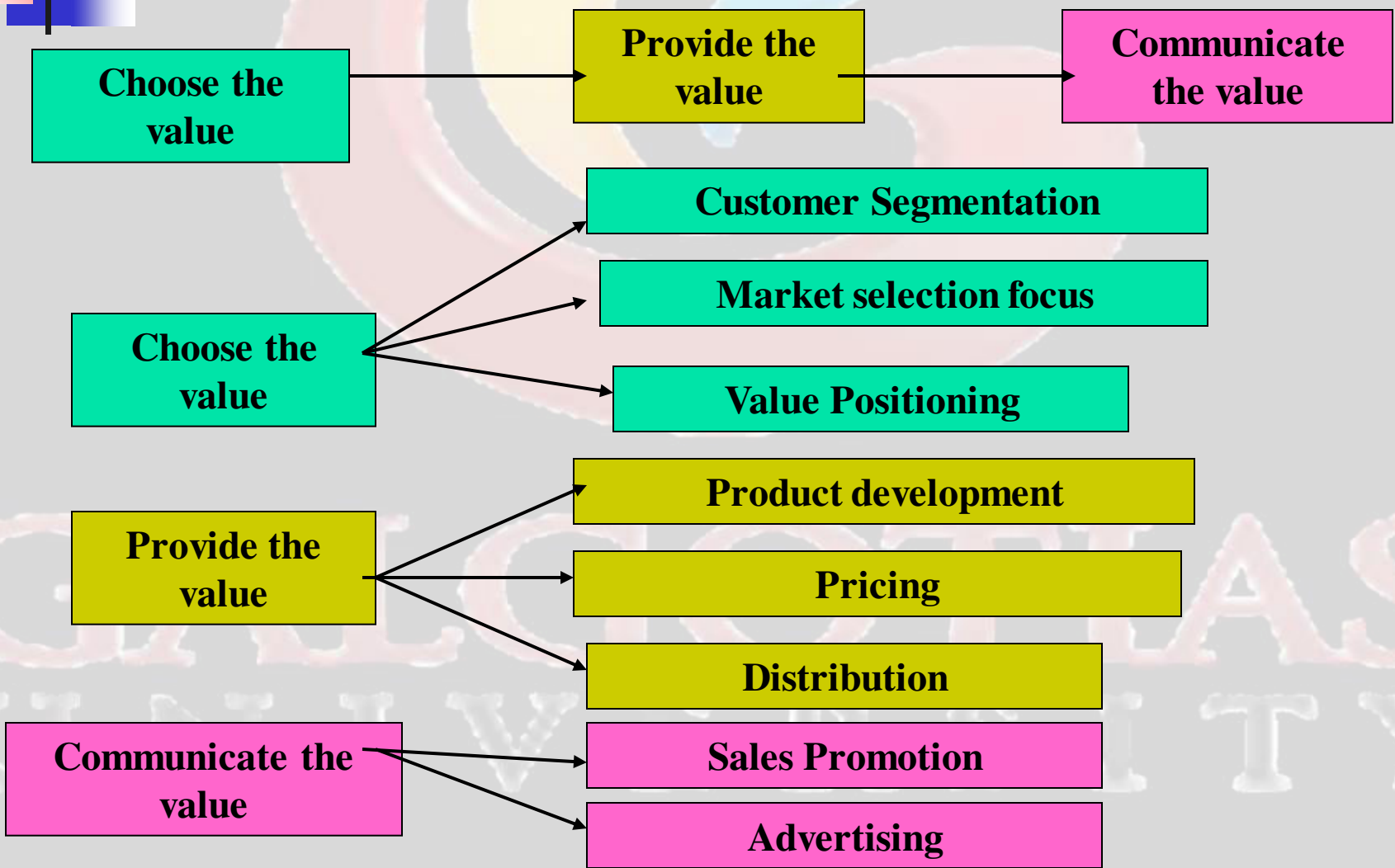
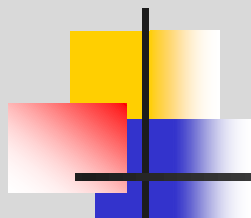
Selling

Advertising & Promotion

Distribution

Services

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The marketing process

- Choosing the value
 - segment the market,
 - select the appropriate market target
 - develop the offer's value positioning
- The formula segment, target and positioning (STP) is the essence of strategic marketing



The marketing process

- Provide the value
 - product development
 - pricing
 - distribution
- Developing specific features of the product, prices and distribution are part of tactical marketing



The marketing process

- Communicate the value
 - inform the market about the offer
 - sales promotion
 - advertising
 - other promotional tasks

The marketing planning process

- The marketing planning process consists of
- analyzing market opportunities,
- selecting target markets,
- designing market strategies,
- planning marketing programs,
- organizing, implementing and controlling marketing efforts

The marketing planning process

- Analyzing market opportunities
 - analyze long run opportunities in the market for improving the performance
- Tools:
 - reliable market information system
 - marketing research (customers' needs, their locations, buying practices etc)
 - understanding company micro environment (suppliers, market intermediaries, customers, and competitors) and macro environment (demographic, economic, social/cultural, technological, political and legal forces)

The marketing planning process

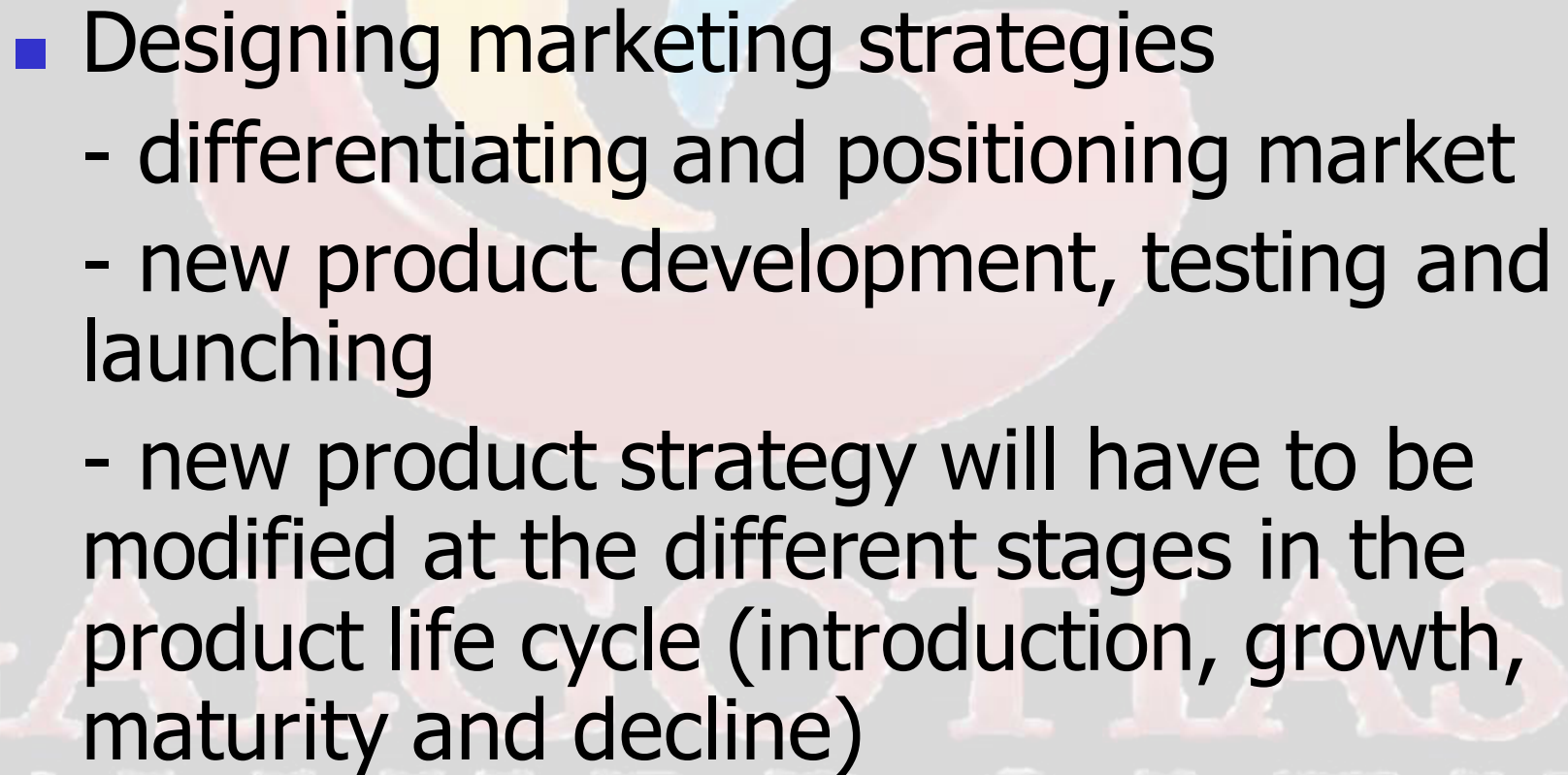
- Analysis of consumer market (how many potential consumers, who buys, why do they buy, what are their preferences, where do they buy, frequency of buying)
- competitors' analysis

The marketing planning process

- Selecting target markets
 - measure and forecast the attractiveness of any given market (estimating market size, growth, profitability and risk)
 - market segmentation

The marketing planning process



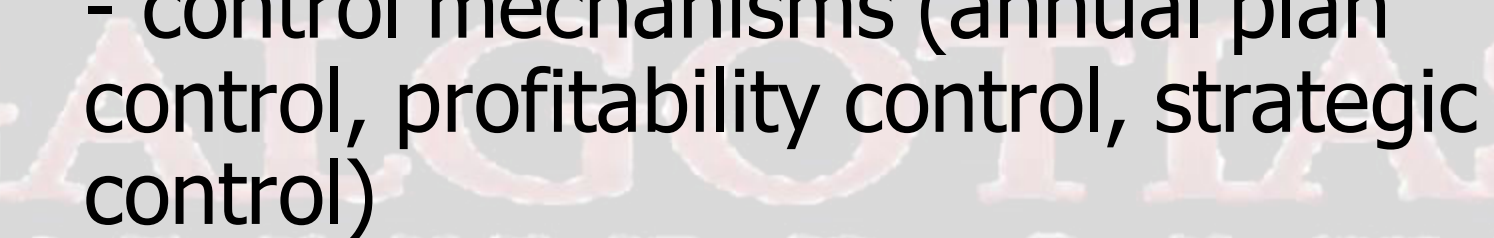
- Designing marketing strategies
 - differentiating and positioning market
 - new product development, testing and launching
 - new product strategy will have to be modified at the different stages in the product life cycle (introduction, growth, maturity and decline)
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The marketing planning process

- Planning marketing programs
 - making basic decisions on marketing expenditures, marketing mix, and marketing allocation
 - what level of marketing expenditure is necessary to achieve its marketing objectives? (marketing budget to sales ratio)
 - how to divide the total marketing budget among the various tools in the marketing mix?
 - allocation of marketing budget to the various products, channels, and markets?

The marketing planning process



- Organizing, implementing and controlling marketing efforts
 - Organizational set up for implementing the marketing plan
 - feedback procedures
 - control mechanisms (annual plan control, profitability control, strategic control)
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The marketing planning process



- Annual plan control
 - divide the well defined goals in the annual plan for each month or quarter
 - measure ongoing performance in the market
 - determine the causes of any serious performance gaps
 - choose corrective actions

The marketing planning process

- Profitability control
 - measuring actual profitability of products, customers groups, trade channels, and order sizes
 - profitability of different marketing activities
 - how various marketing activities could be carried out efficiently?

The marketing planning process

- Strategic control
 - evaluating whether the company's marketing strategy is still appropriate to the market conditions?
 - marketing audit



Components of marketing plan

Sl	Section	Purpose
I	Executive summary	Presents a brief overview of the proposed plan for quick grasp for management
II	Current marketing situation	Presents relevant background data on the market, product, competition, distribution and macroeconomic environment
III	Opportunity and issues	Swot analysis & major issues for the product
IV	Objectives	Defines the goals the plan wants to reach (sales volume, market share, profit)
V	Marketing Strategy	Presents the broad marketing approach to be used to achieve the objectives
VI	Action programs	Answers like what will be done, who will do, when it will be done, how much it will cost
VII	Profit and loss statement	Forecast the expected financial outcomes
VIII	Controls	Indicate how the plan will be monitored