uz M^

Stategic Merkeing

Management

Business Process Approach?





	t of contributors ix eface xvii	Key resources in customer-focused organizations 27
	out the book xix •, • •	Process in action health and human services
Walk-through tour xxi		in the USA 29
,, .	in mough tour Air	Summary 31
		Chapter questions 31
P	arti	References 32
ln	troduction to marketing and business	
	,	Dowl O
pr	ocesses 1	Part 2
•		Future-predicting processes (scenario
4	Marketing and present based	1 01
1	Marketing and process-based	building and forecasting) 33
	management 2	-
	Introduction 2	3 Environmental scanning
	Learning objectives 2	5
	What is a process? 3	and strategy 34
	What is business process re-engineering? 4	Introduction 34
	Process in action IBM 6	Learning objectives 34
	Best-practice marketing: past predictions 7	Changing markets and environmental
	Best-practice marketing: the current	uncertainty 35
	view 8	Scenario planning 36
	Best-practice marketing: the need to	Knowledge-based systems in marketing and
	reposition 9	scenario planning 38
	Marketing as a process: pan-company	Process in action downsizing and outsourcing in
	marketing (PCM) 10	the European airline industry 41
	Process in action Unipart n	Methodology 42
	Process in action Xerox 12	Process in action the European airline industry
	Summary 13	(cont.) - expert system building 43
	Chapter questions 14	Analysis of the rule base 44
	References 14	Process in action the European airline industry;
		(cont.) - implications for the airline.
2	Customer-focused management 15	industry 48
-	Introduction 15	Implications for companies considering the use of scenario planning 49
	Learning objectives 15	Reliability and validity 49
	Customer focus, customer value and customer	Managerial implications 50
	satisfaction 17	Conclusions 51
	Ciistomer-focused management defined 21	Summary 51
	Key processes in customer-focused	Chapter questions 51
	organizations 23	References 51
	organizations 25	References 51

4	Demand management (market and technology forecasting) 54		The concept of knowledge repository 88 Corporate memory 91
	Introduction 54 Learning objectives 54		Organizational knowledge sharing 92 Process in action Oticon - the strategy view 94 Summary 99
	Approaches to forecasting 56 Consultation: asking the customers (market research) 57		Chapter questions 99 References 100
	Consultation: asking experts 58		
	Statistical extrapolation: use of causal relationships - linear regression 59 Process in action Brunei and the Atlantic 60 Statistical extrapolation: use of historic behaviour of data (time-series analysis) 60 Smoothing out randomness 61 Incorporating trend 63 Incorporating business cycles and/or seasonality 63 Fitting time-series methods and measuring how well they continue to perform 64 More recent forecasting concepts and techniques 64 Simulation methods 65 Expert systems 65 Neural networks 66 Data mining 67 Conjoint analysis 68 Rule-based forecasting 69; Judgemental bootstrapping 69 Choosing the forecasting system 70 Process in action Airbus and Boeing - who is	6	Strategic information systems 104 Introduction 104 Learning objectives 104 Information systems defined 107 Classifying information systems 109 The evolving role of information systems 111 Role of information systems in strategy 113 Process in action IS and strategy in action - the author example 115 Internet revolution 116 Role of information systems in supply chain management 119 Supply chain: current applications 120 Strategic alignment and strategic information systems planning 122 Emerging technologies and applications 127 Summary 128 Chapter questions 128 References 128
	right? 70 , . Summary 71 Chapter questions 71	7	Marketing measurements and analysis 132
_	References 72		Introduction 132 Learning objectives 132 Measurement scales 133
Part 3			Unordered categorical data 133 Recording the data 133
Da	ata management processes 73		Applying mathematical operations 133 Ordered categorical data 134
5	Corporate structure, network and knowledge management 74		Recording the data 135 Applying mathematical operations 136 Continuous data 137
	Introduction 74		Recording the data 137
	Learning objectives 74 Organization culture, change and the learning organization 76		Applying mathematical operations 138 Analyzing data using GLM models 138 Process in action modelling continuous data: ice
	Knowledge management 79 Process in action knowledge management in various organizations 85 Relationship builder 86		cream consumption 140 Summary 154 Chapter questions 154 References 154

Part4 Keeping existing customer processes (order fulfilment) 157

8 Market value chain management 159

Introduction Learning objectives 159 Process in action John McGavigan automotive 160 Business and production in an historical context 161 A seed change in the approach to management 162 The internal value chain: activities, systems and processes 164 Process in action John McGavigan (contd.) 166 The external value chain: supply chains 167 The human resource in the value chain 168 Process in action John McGavigan (contd.) 168 Process in action. John McGavigan (contd.) 168 Process in action John McGavigan (contd.) 169 The role of technology 170, The marketing view: demand value chains and customer value creation ',. 170 The latest paradigms: lean production, mass customization and mass consumption Summary 176 Chapter questions 177 References 177

9 Customer relationship management and marketing insights i78

Introduction 178 Learning objectives 178 Customer relationship management and its network of relationships 179 Relationship marketing's contribution'to customer relationship management development Interactions, building the customer experience and long-term customer • value 182 Process in action Gartner's eight building blocks of customer relationship.; management 184 Outsourcing, customer relationship management problems and effects on customers' profitability 186 . Process in action UIA 186

Looking at the QCi model and what to consider in best-practice customer relationship management 188!

Customer relationship management's .),,-,'*'
contribution to management 193

Summary 194

Chapter questions 194

References 194

10 Operations and marketing programming 196

Introduction Learning objectives Research on barriers to integration The conflict between engineering and marketing 197 Can engineers and marketers learn from each other? Techniques to promote integration 200 Hill's holistic approach 202 . Process in action ICI low-cost ammonia plant 203 Value strategy approach Business process re-engineering and • performance management systems 206 Process in action the BMW Mini Summary 209 Chapter questions 209 ' References 209

11 Distribution*product category management and new delivery channels 211

References 235

Introduction 211 Learning objectives Logistics management Channels 212 Traditional ways of adding value 217 A value-added strategy for success 218 A new system of wholesaling The new face of retailing: focus on product category management 224 Relationships for all? Process in action Tesco, a plethora of products and distribution channels Summary 234 Chapter questions 234

Part 5 Getting new customer processes (order acquisition) 239		Good and bad reputation 274 i. Links to relationship management 276. Process in action Coca-Cola - reputation ; • damaged by delay 276. Costs of crises 277
12	Marketing and resource allocation in financial management 240 Introduction 240 Learning objectives 240 The role of budgets in resource allocation 241 Capital budgets and investment • • , planning 244 i	Best practice in reputation management 277 Multinational reputation management 281 Measuring reputation 281 Summary 286 Chapter questions 286 Further reading 287 References 287
	Process in action illustration of payback period and accounting rate of . return 246 • .	Innovation management: market timing and solution planning 289
	Process in action illustration of the concept of net present value and <i>uqg</i> in comparison of projects 250 ,;•.•.• Process in action illustration of choosing between mutually exclusive projects using internal rate of return 253 Process in action illustration of a fixed capital budget between projects 256 Process in action illustration of distribution of capital between projects using a threshold internal rate of return 257 - Process in action illustration of capital budgeting a supply and demand approach 258 The budgetary process 260 Operating budgets 263 Process in action illustration of sales budget 264 Cash budgets and operations 265 Process in action illustration of production budget 266 Summary 268 Chapter questions 269 References 269 > ,	Introduction 289 \ • , Learning objectives 289 Concept and forms of innovation 290 Innovation according ito Schumpeter 290 Models of the innovation process 292 The interactive model of innovation (the chain-linked model, Kline-Rosenberg, - 1986) 293 The model of the national innovation system 293 ; ;• Product innovation strategies 293 Proactive strategies 294 Timing of market entry 295 The process of product and service innovation 297 Testing of new products 298 Testing of packaging 300 Brand name testing 300 Advertising test 301 Market testing 301 Simulated market test' 302 Test sale 302 . • Test market method 303 Testing of production equipment 303
13	Reputation management: corporate image and communication 270	Product launch and follow-up 303 Tracking the product on the market 306
	Introduction 270 Learning objectives 270 ., What is reputation? 271 Developing a good corporate reputation 272 Can reputation be managed? 273	Product innovation in organizations 306 : Process in action newservice products at Tesco 308 : Summary 308 j Chapter questions 309 . ••.•>••• , References 309 i . ''

Part 6	Chapter questions 358
Organizational development and	References 359,
co-ordination (infrastructure	
processes) 311	17 Marketing and its implications for financial management 36i
	Introduction 361
15 Solutions design 313	Learning objectives 361 . •
•	Accounting implications of marketing 362
Introduction 313 ;	Financial statement analysis from a marketing
Learning objectives 313 :	perspective 3 6 3 · ··· ·
The general problem-solving	The profit and loss statement and how
process .314 Situation analysis/prodiction .314	marketing managers can use it 363
Situation analysis/prediction 314 Process in action trends and strategy in the	Adjustments to 'profit': cash flow and its
cigarette industry 319	impact on marketing 367
Resource analysis 322	Balance sheets and current assets used in
Solution formulation 324	marketing 368
Process in action brainstorming at John	Process in action Smith's Grocers 371 - •
McGavigan 326	Balance sheets and fixed assets used in
Synthesis 327	marketing 373
Evaluation 327	Customer relationships and their financial impact 375 < " • ": • ": •
Process in action product replacement strategies	Marketing decisions and their financial
at Volvo 331	effects 382 ": ' '• • ••
Summary 333	Process in action -Smith's Grocers (cont.) - '
Chapter questions 333	outsourcing 385
References 334	Process in action new product introduction' 386
	Process in action new product introduction
16 Strategic planning effectiveness:	(cont.) 389 ' -"•;••
performance measurement 335	Process in action advertising 391
•	Process in action Smith's Wholesalers
Introduction 335	distribution 393 .
Learning objectives 335 Strategy: an academic history 336	Conclusion 394
The prescriptive school: strategy formulation ⁰	Summary 394
process 337 • ' ' *	Chapter questions 394 References 394
Process in action examples of mission •	References 394
statements 339	
Descriptive schools: coping with •	18 Strategic brand management 395
change 343	Introduction 395
Closing the loop: the importance of	Learning objectives 395
performance management 347	The value of brands 396
The balanced scorecard (Kaplan and	Brand and customer value' 397 •
Norton) 347 _ • ' '	The value gap 398
Process in action Oticon 347' •	Customer value and the organization 398
Recent developments in the field of !	Process in action customer value at First
performance management 349	Direct 399
Process in action building a balanced scorecard	Reintegrating customer and brand value:
for a public broadcasting organization	the challenge for strategic brand
(simulation only) 351	management 400
Summary 358	The realities of brand strategy today 401

Marketing the organization 401					
Process in action (cont.) positioning the First;					
Direct brand 402					
Positioning and branding the					
organization 403					
Process in action (cont.) the First Direct brand					
and core processes 405					
Retail franchises and brand development 406					
Process in action McDonald's 406:					
Summary 407 \					
Chapter questions 408					
References 408					

19 Managing the marketing and e-business interface 410

Introduction 410
Learning objectives 410.
Business models 411 «
e-Business plans 411
Web design 412
From web design to Internet
marketing 413
Data mining 415
Process in action Caves Book Company,
Taiwan 418
Summary 419
Chapter questions 419
References 419

20 Cross-boundary and global (international) management: some considerations on recent events 422

Introduction 422 Learning objectives 422 On marketing definitions 423 The international arena: marketing vs. other functions 423 Supply chain design, redefinition and > management 424 Convergence and divergence paradigm, and politics in the global marketing environment 426 Process in action Pepsi in India; 428 Recent trends in international environment: convergence or divergence? 430. Process inaction wrong country of origin - Aria Foods 430 Theory of new market selection and market entry strategies 432

Process in action approaches to internationalization - Logoplaste and COLEPCCL. 438 Global marketing evolution: outsourcing and process-based marketing management Process in action linguistic localization 442-Globalization or localization - ongoing examples 444 The teacher and the student: 'globalizing back' 444 Process in action Wal-Mart 445 Process in action internationalization via the supply chain, from supplier to branded vendor 447 Summary 447 Chapter questions References

Part 7 The future 451

21 Future trends in marketing 452

Introduction 452 Learning objectives 452 Global trends 455 The future of technology Three topics for consideration 458 Topic 1 new social values and paradigm shifts 459 Topic 2 the new consumer Topic 3 new consumer applications Future trends in marketing programming Value-based marketing 473 Brand ubiquity 474 People drive innovation—period: all other factors may merely 'influence' innovation 476 Trends in pricing 478 Trends in advertising 479 The commercial message Partnership selling 481 Putting the C into CRM 482 Distribution trends Efficient consumer response (logistics) 483 Summary . 484, Chapter questions 484 References, 484

Index 486