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WARWICK BUSINESS SCHOOL  
THE UNIVERSITY OF WARWICK

# For the Change Makers

Dr Scott Dacko

## Marketing Strategy Planning and Implementation in Organisations

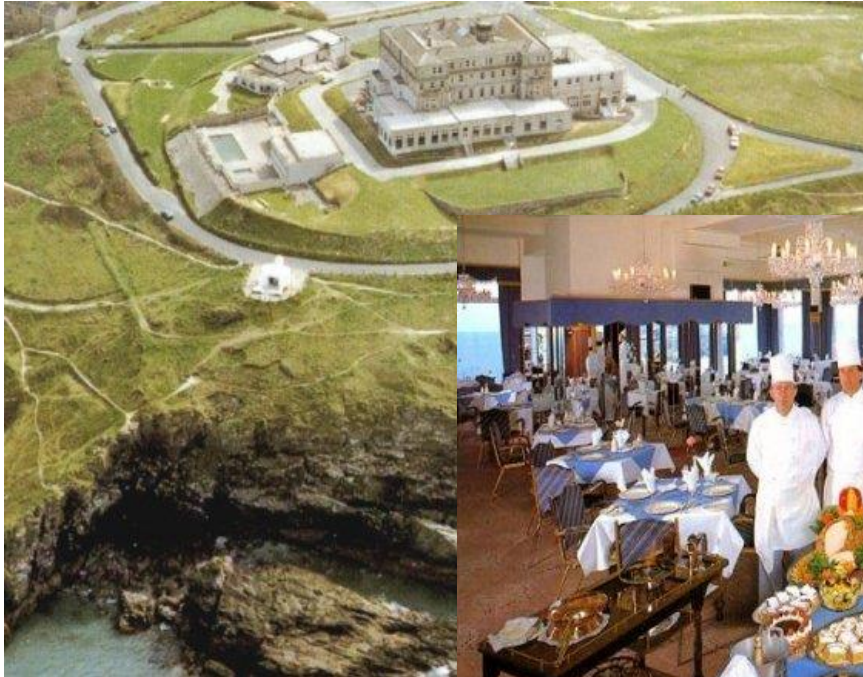
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# Marketing Strategy Planning and Implementation in Organisations

## Objectives:

- Understand further a framework for analysing organisations, and the roles of structure, systems, people, and culture in strategy implementation and to assess a “fit” with different marketing strategies.
- Appreciate the importance of customer centricity in organizations.
- Appreciate the many pitfalls of planning the marketing strategy.
- Be able to evaluate better implementation and customer centricity in marketing strategies.

Wouldn't you like to dine at the Atlantic Hotel in Cornwall?



# Consider this situation...

1. Group of friends, some of which are staying at the Atlantic Hotel, are dining at the hotel's Restaurant.
2. Diner asks waiter for a glass of tap water.
3. She is refused tap water. She is told she must buy a litre of mineral water for £2.
4. She later writes a letter to the managing director that complaining that she was refused a glass of tap water with her £18 meal, where she and her friends also bought many drinks between them.
  - How should the hotel respond to the customer's complaint?

## The response...

“ I buy water from the South West Water company. I buy the glasses that the water is served in. I buy the ice that goes into the water and I buy the labour to serve the water. I provide the luxury surroundings for the water to be drunk in and again pay for the labour and washing materials to wash the glass after you have used it, and you think I should provide all of this free of charge!”

# The response, continued...

“As regards your comment that you will not be returning to the Atlantic Hotel ever again, leaves me to say that customers who only drink water and complain about paying for it, I can certainly do without.”





❏ What does this say about the hotel's marketing implementation & evaluation?

# Marketing Strategy Implementation

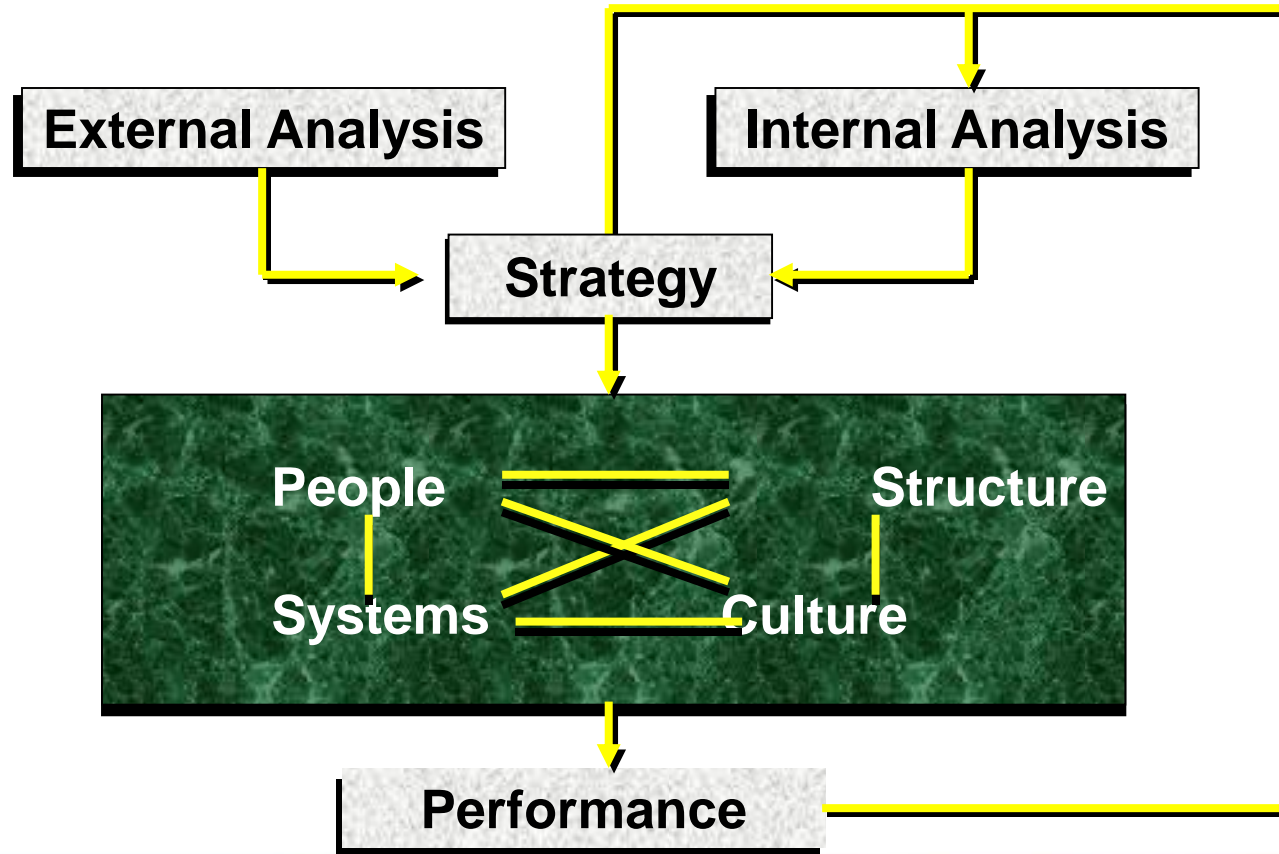
◎ Company has a strategy, programmes, expected results, but poor initiation and control:

- Unfriendly company product & service policy → Offerings
- Poor staff (waiter)-customer communication → People
- Hostile response to a complaint letter → Systems

→ No review of service to see where improvements can be made:  
*implementation* of service and *evaluation* of customer after-care!



# A Framework for Analysing Organisations



# Organisational Analyses

- ❑ Structure
  - ❑ Decentralisation vs. centralisation
- ❑ Systems
  - ❑ Information systems, reward systems
- ❑ People
  - ❑ Experience, skills, motivation
- ❑ Culture
  - ❑ Shared values, norms, symbolic actions

## Two Years Later—Even After Bad International Publicity

◎ Response to recent e-mail inquiry: I would like to know if the hotel restaurant still has the policy of not providing tap water to restaurant patrons who ask for tap water with their meals, and instead having them buy a liter of mineral water.

“Thank you for your email.

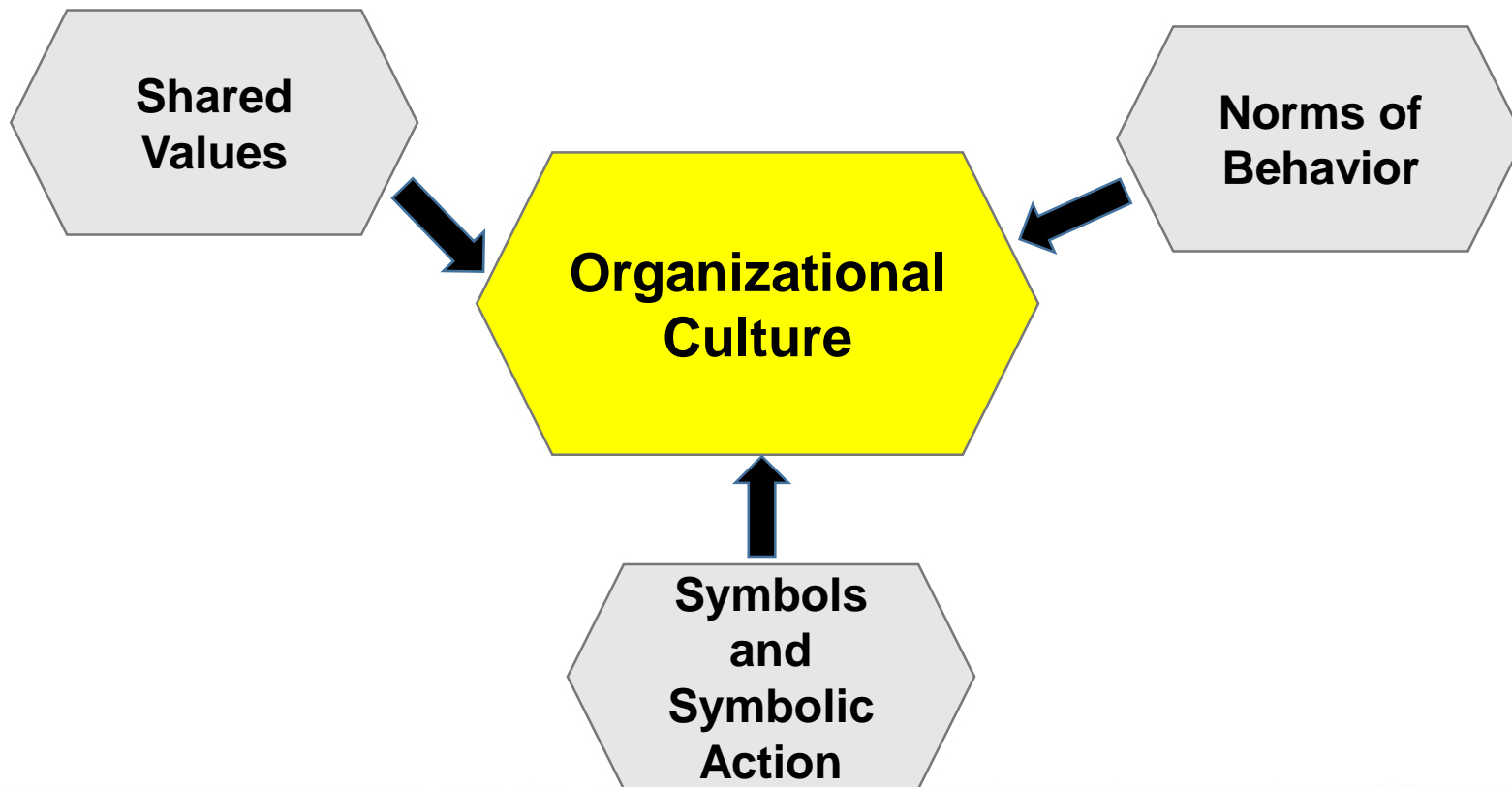
Yes we still adhere to this policy regarding tap water.

Kind Regards

Reservations”

→ Same offerings. Any change in marketing implementation and evaluation of people or systems?

# Key Elements of Organizational Culture



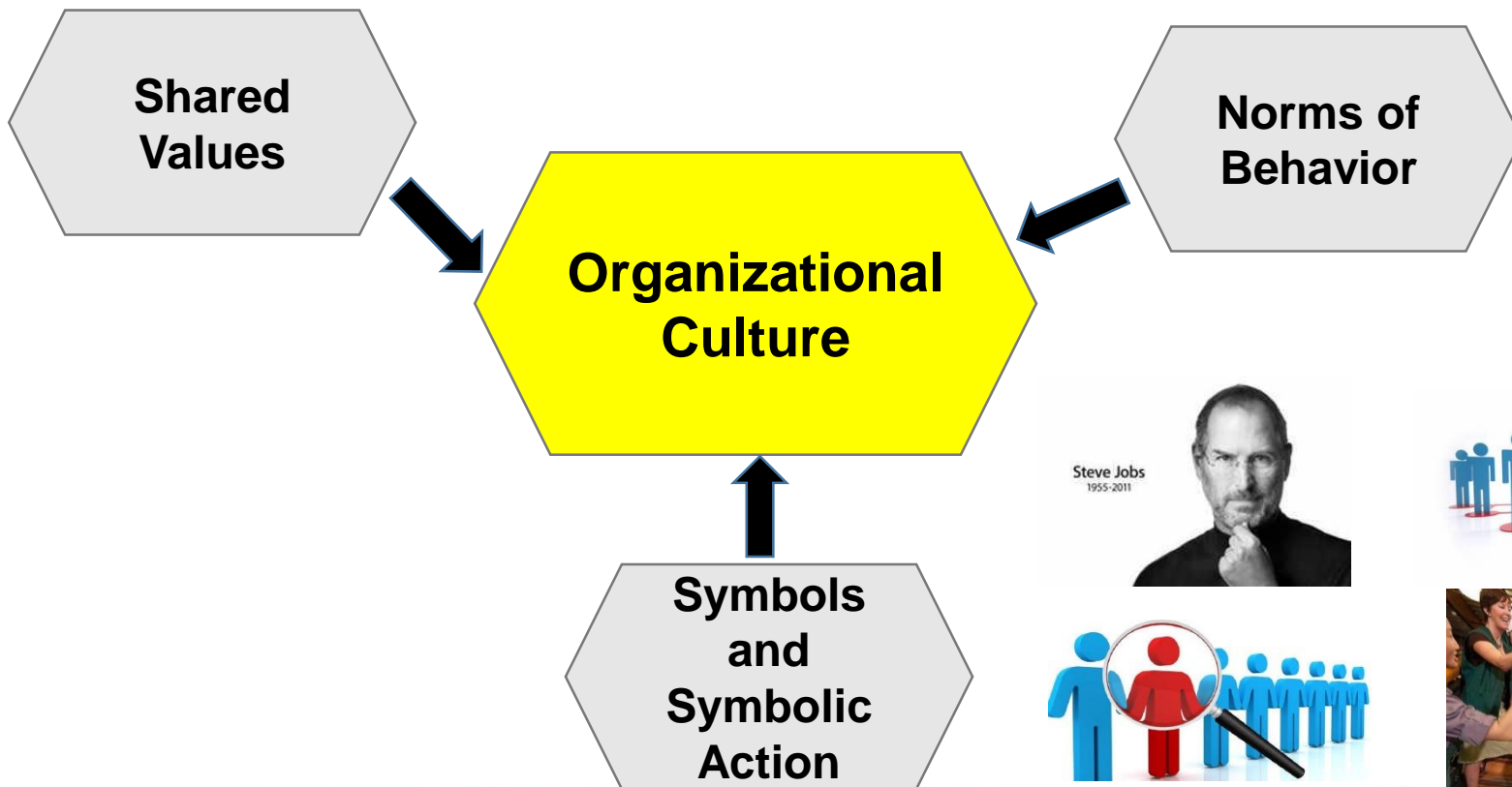
# Core Values of Apple



- **We believe that we're on the face of the Earth to make great products.**
- **We believe in the simple, not the complex.**
- We believe that we need to own and control the primary technologies behind the products we make.
- We participate only in markets where we can make a significant contribution.
- ...

If you would like to learn more about Apple's core values:  
<https://youtu.be/wmo8bmzAyyU>

# Key Elements of Organizational Culture





# Google versus Apple

- Google

[https://www.youtube.com/watch?v=n\\_Cn8eFo7u8](https://www.youtube.com/watch?v=n_Cn8eFo7u8)

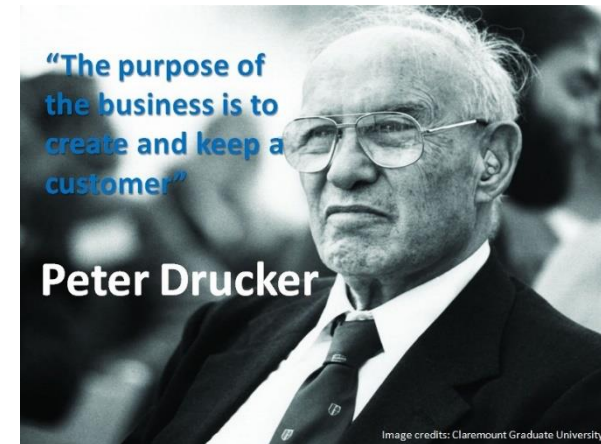
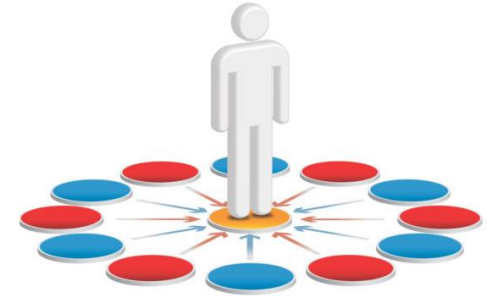
- Apple

<https://youtu.be/EcHpgsTg458>



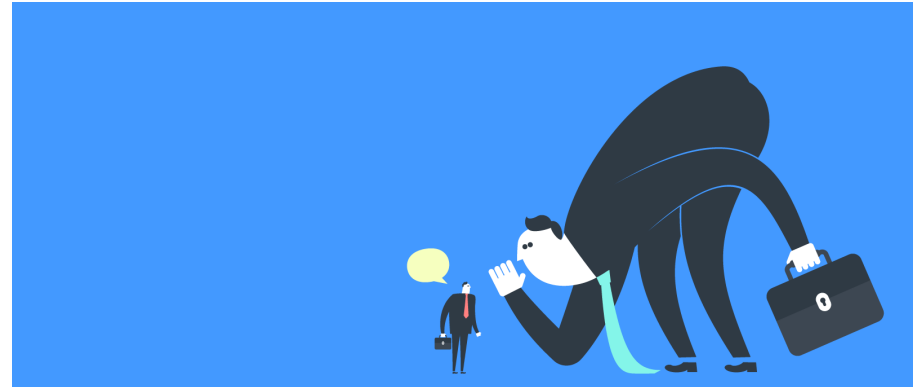
# Customer Centricity

- **Customer centricity** occurs when a company places the customer at the forefront of all its decisions and actions.
- The importance of customer centricity
  - When an organization is customer centric, it has the best opportunity to create exceptional value for customers and to capture value for itself in the form of profits.
  - The base of successful marketing strategies.



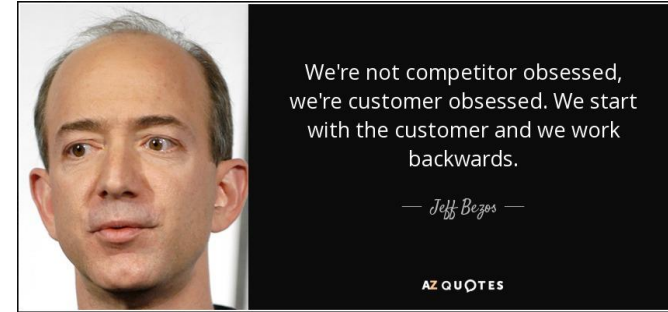
# How Can a Company Make itself Customer Centric?

- Culture
- Structure
- Systems
- People



# Customer-Centric Culture

- Traits of Customer-Centric Cultures
  - Make the customer the company's raison d'être
  - Create a customer-defined business
  - Direct contact with customers
  - Evaluate competitors through customers' eyes
  - Be vigilant about customer value



| Industry      | Myopic Purpose | The Broader Purpose |
|---------------|----------------|---------------------|
| Railroads     | Train Travel   | Transportation      |
| Hollywood     | Movies         | Entertainment       |
| Oil Companies | Petroleum      | Energy              |

# Customer-Centric Culture

- Firm leaders are the critical factor.
- Other factors
  - Attract customer-centric managers and employees.
  - Create informal and formal systems to continuously gain and disseminate customer knowledge.
  - Resource and reward customer-centric behaviors.



# Customer-Centric Structure

- Organize teams to span silos
- Build a matrix organization
- Align around customer segments
- Tighten marketing-sales alignment
- Develop a marketing doctrine to span silos
- Centralize selectively



*“Put products before profits—push for perfection in products”*



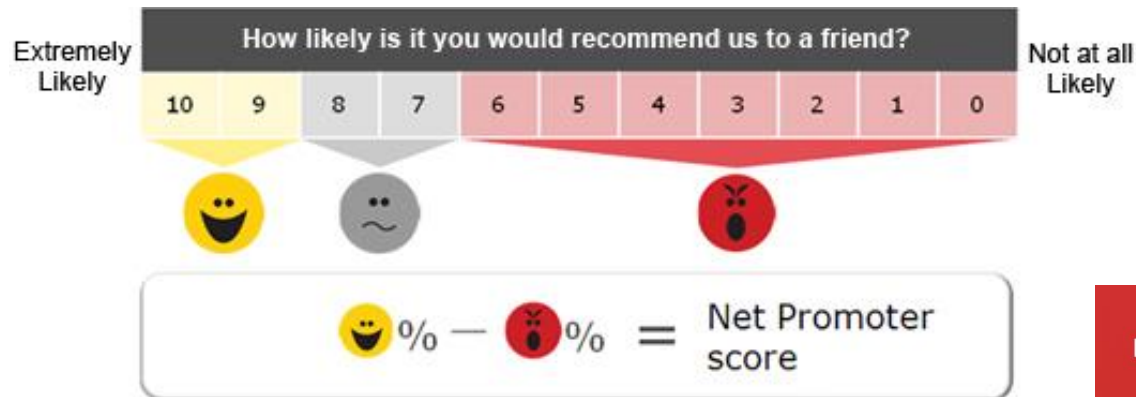
# Customer-Centric Systems -- Competencies

- **Market orientation:** the organization-wide generation, dissemination, and responsiveness to intelligence, including insight, about the market.
  - Generate customer insights (market research, market analytics)
  - Share (cross-functional, division, country)
  - Apply (new strategies and offerings)



# Customer-Centric Systems -- Metrics and Incentives

- Customer-centric performance measures.
  - Customer satisfaction, customer loyalty, and net promoter score



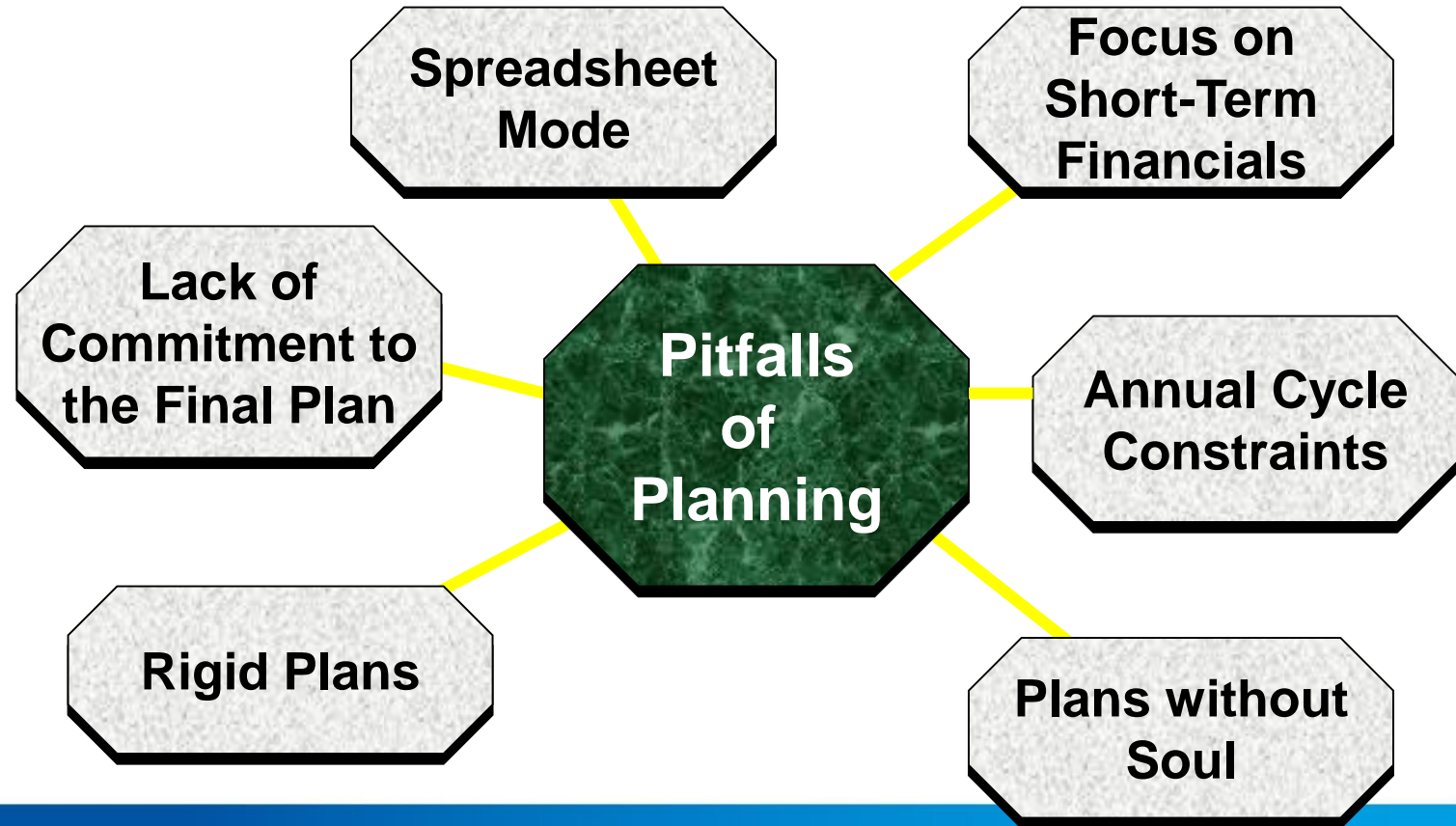
- Incentives and rewards should be linked to performance measures.

# Customer-Centric People

- **Hire** customer-oriented employees
- **Educate** employees on key customer requirements
- Disseminate knowledge among employees
- Everyone is responsible for the customer
- **Empower** employees
- **Satisfied** employees lead to satisfied customers



# Pitfalls in Making Strategic Marketing Plans



# Implementing Marketing Strategy

- ◎ Marketing strategy implementation success results from high role performance
- ◎ High role performance results from high strategy commitment and high role commitment
- ◎ High fit with vision leads to high strategy commitment
- ◎ High role significance leads to high role commitment

# Implementing Marketing Strategy

- ❑ Obtaining strategic marketing congruence – fit with the organisation
- ❑ Organising for innovation
  - ❑ Task forces
  - ❑ Skunk works





# Key Points and Summary

- Marketing strategy implementation involves four important organizational components: culture, structure, systems, and people
- Customer centricity is the base of successful marketing strategies
- Customer centricity requires the business to focus on multiple organizational elements—culture, structure, systems (competencies, metrics and incentives), and people (human capital)