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Strategic marketing

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Strategic marketing

Abstract

Marketing consists of a strategic - and an operational component. Strategic marketing forms the basis of operational marketing action. It signifies gathering information, analysing it, thinking and making directional decisions, whereas operational marketing (covering the classical four P's - product or *service, *advertising, *pricing and distribution) means implementing these decisions. The importance of these two components is asymmetric. Weak strategic marketing cannot be compensated by excellent operational marketing, like a summit cannot be reached by running at extremely high speed, but in the wrong direction.

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The strategic marketing planning process can roughly be divided into three stages which are repeatedly performed in the course of organizational (or destination) lifetime for the purpose of monitoring the results of past strategic decisions under the given market conditions as well as deciding on future strategic orientation: information gathering, analysis and decision making. At the first stage, systematic internal and external analyses are conducted (including market research, competitive -, market environment - and self analysis) in order to determine the present situation. Second, this information is analyzed. A rich methodological toolbox for the analysis stage is available, typically aiming at the provision of a sound basis for the two central issues in strategic marketing: *market segmentation and product positioning. The complexity of the analysis stage results from the high level of interrelatedness of issues. The segmentation strategy is strongly dependent on the positioning decision and vice versa. In addition, market information as well as the competitive situation influence both decisions. The aim of this stage is to identify and evaluate alternative strategic options on the basis of general market information, consumer information and organizational (destination) information. The leading principle is harmonization of consumer needs and organizational (or destination) strengths. Marketing engineering and management science

have gained importance at this stage during the last decades and represent a major factor of competitive advantage in times of increasing competition in the marketplace for leisure and outdoor recreation. Finally, in the third and last stage of the strategic marketing process, decisions have to be made about which strategy will be followed in terms of target segment selection, brand / destination positioning and in the mind of the consumers and competition. The specification of the mission statement is part of this stage as well, but typically not questioned and modified at the same frequency as the remaining strategic components.

The guidelines emerging from the strategic marketing process represent the starting point for operational marketing action: products or services are designed or modified, distribution channels are chosen, pricing decisions are optimized to fit and both advertising messages and channels are customized to target segments.

Strategic marketing thus represents an essential answer to a competitive, demand-oriented business environment increasingly characterized by rapid and unpredictable changes.

Further reading

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