



# PART V

## Organising, implementing and controlling the marketing effort

### CHAPTER 15

Organising and implementing the marketing plan 533

### CHAPTER 16

Budgeting and controlling 565

### APPENDIX

Market research and decision support system 592

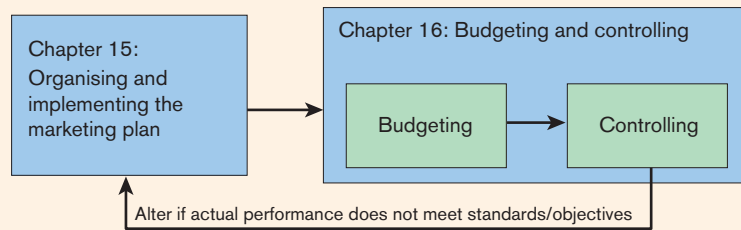
### CASE STUDIES

Video **Pret A Manger**: How to control the expansion of an international restaurant chain 531

15.1 **Triumph**: How to manoeuvre as a modern brand in the global underwear market 550

16.1 **Jordan**: Developing an international marketing control and budget system for toothbrushes 586

### Organising, implementing and controlling the marketing effort



#### Structure of Part V

Designing marketing strategies and programmes that meet current and future market requirements is a necessary but not a sufficient condition for corporate success. They need to be translated into action through effective implementation.

The purpose of Part V is to introduce the marketing plan, which is a mechanism for integrating and coordinating marketing programmes in the midst of uncertainty about the future.

A marketing plan (Chapter 15) is a detailed and systematic formulation of actions to take place, including the resources to be used. An action plan is a key step in ensuring that the marketing strategy has been executed effectively.

It is also a set of specific decision or marketing activities designed to carry out marketing strategies and accomplish a company's stated objectives and goals.

The structure of Part V is shown in the diagram above.

A good plan will address the product and customer relationships and employee/employer cooperation plan (internal marketing). The plan should also address the cooperative effort needed among engineering, manufacturing, research, sales, transportation, channel distribution, dealer and retailer relations, price, packaging, competition, sales, advertising, feedback and promotion. This marketing plan reflects on past experience, assesses current trends and conditions, and forecasts future events.

The plan should incorporate all the assumptions, judgements, strategic options and contingencies developed during the planning process.

Building a marketing plan (Chapter 15) is a creative effort to provide direction for marketing implementation. An action plan, as related to developing marketing activities, encompasses the information needed to complete marketing planning and includes answers to the following questions:

- What activities are to be completed in implementing the variables of the marketing mix?
- Who will be responsible for each of these activities?
- When will the activities be initiated and completed?
- How will the activities be coordinated with each other?
- What resources are needed to carry out the activities?

The implementation of strategy decisions is further examined to address key issues as part of the marketing plan. Marketing managers have learned that strategy by itself is not enough; implementation is just as important.

A plan is not complete until it has been evaluated. In evaluating the marketing plan, the company's analysis of the past, present and future, and adoption of marketing strategy,

will guide the marketing manager in formulating a specific plan. Also, a basic tool for evaluation could include a break-even analysis.

Marketing managers often use a control and budget system (Chapter 16) in monitoring the performance of marketing operations stated in terms of sales, market share and/or profitability (see diagram). Information requirements as part of the measurement system will also be discussed.

As marketing strategy is implemented, the marketing manager needs to track the results and monitor new developments in the environment, although it might be impossible to measure all relevant environmental changes. The company can count on one thing: the environment will change, and, when it does, the company will need to review and revise its strategies accordingly. The marketing manager must be aware of the nature of the changes taking place, and how the company and programme must be modified in order to adapt to these changes.

## PART V VIDEO CASE STUDY

### Pret A Manger

How to control the expansion of an international restaurant chain

Pret A Manger Holdings (based in London) operates a quick-service restaurant chain with about 200 sandwich restaurants in the UK, the US and Hong Kong. All the restaurants are owned by Pret A Manger Holdings, and the company is not using the franchise concept. Its menu features handmade sandwiches (including baguettes and wraps), salads, sushi and desserts,

along with teas and coffees. Fresh ingredients are delivered each morning to the shops, and leftovers are donated to local charities in the evenings. Co-founders, former surveyor Julian Metcalfe and his friend Sinclair Beecham, opened their first sandwich shop in 1986. An investment group led by Bridgepoint Capital owns the company.



Source: © Cobie Martin/Alamy

Company revenues (€ m)	2008	2007	2005
Revenue	299	256	199
Net income	35	18	9
Net profit	12%	7%	5%
Employees	2,778	3,062	2,895

Pret has become a popular chain in the UK, where it continues to build out locations to expand into new markets. However, the company had a more difficult time when it penetrated the US market (starting up in New York), where the sandwich market has become crowded by fast-food players such as Subway and Quiznos. Pret A Manger continues to operate more than a dozen locations in New York City.

Around 2007, Pret A Manger was looking for an infusion of cash from a new investor. In a €500 million deal Pret A Manger was taken over by the private equity firm Bridgepoint in 2008. US-based fast-food giant McDonald's cashed out its one-third stake in the business in the buy-out. It had acquired the interest in the company for about €30 million in 2001. Goldman Sachs also took a minority holding as part of the buy-out.

Pret A Manger is now planning for further international expansion.

## QUESTIONS

- 1 How would you define the target market of Pret A Manger?
- 2 Pret A Manger is using very little on advertising and promotion (under 5 per cent of the sales). What is the reason for that?
- 3 How is Pret A Manger using 'mystery shopping' as a way of controlling the marketing effort?
- 4 How would you characterise the international marketing strategy of Pret A Manger? Standardisation or localisation?
- 5 Explain some of the problems that Pret A Manger experienced when they established the first restaurant in New York?

## SOURCES

Pret A Manger website ([www.pret.com](http://www.pret.com)); Hoover company records; other public sources.