

Preface

This latest edition recognizes the growing importance of the service sector in most economies and of significant differences between product and service marketing.

The world of services marketing has changed dramatically during the past decade. The easy, high-growth markets have been replaced by mature, low-growth demand patterns that have forced suppliers to question their erstwhile successful business models, such as, for example, those that consisted largely of making 'products' and selling them to intermediaries, who magically got rid of them somehow to an unsophisticated general public who were in awe (or ignorance) of complicated products such as pensions.

Today, however, there is in most developed countries a situation of government regulation, oversupply, and more importantly a more sophisticated consumer who has been empowered by the Internet. This has forced service providers to pay greater attention to the needs of the consumers of their services. This means that they have been forced to pay greater attention to marketing.

The three authors work with many of the world's leading service organizations in their role as professors of marketing at three of the world's leading business schools. We have sought to combine the acknowledged leadership of Cranfield University in the domain of marketing planning (Malcolm McDonald) with the experience of two experts in the field of services marketing (Pennie Frow and Adrian Payne) to produce a unique text for those who are faced with the special challenge of producing world-class marketing plans for services where there are no tangible products.

The approaches outlined in this book have been used extensively by us in a large number of services organizations.

We believe you will find, in the pages of this book, the answer to the challenge of creating marketing plans that produce significantly improved bottom-line results.

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The structure of this book and how to use it

This book consists of 13 chapters, some examples of marketing plans and a glossary of terms used in marketing planning.

Chapter 1 provides a broad view of marketing as it relates to services. It describes the marketing concept and some misunderstandings about marketing.

Chapter 2 considers the nature of services and relationship marketing.

Chapter 3 provides an overview of the four key phases of the marketing planning process.

Chapter 4 looks at the barriers that can prevent a service organization being successful in introducing marketing planning.

Chapters 5 to 10 provide a detailed examination of each of the four phases in the marketing planning process and an explanation of the frameworks and techniques which are useful in undertaking these tasks.

Chapter 11 examines some of the key organizational aspects relating to marketing planning. These issues, although not directly part of the marketing planning process itself, have an important and profound impact on its ultimate effectiveness. Here we discuss the role of marketing intelligence systems; market research; to what extent the introduction of marketing planning is appropriate at the different stages of development of an organization; and finally, the issue of how a service organization can develop or improve its marketing orientation.

Chapter 12 examines the growing importance of measuring financially the effectiveness of marketing expenditure.

Chapter 13 provides structures for a three-year strategic marketing plan, a one-year detailed marketing plan and a headquarters consolidated plan of several strategic business unit (SBU) strategic marketing plans. These structures will help with implementing the processes and frameworks outlined earlier in this book. Also, in the 'Examples of Marketing Plans' are a number of illustrations of what strategic marketing plans actually look like in different types of service organizations.

x The structure of this book and how to use it

Those readers who have read widely on the services sector and are familiar with the services marketing literature can start at Chapter 3.

We suggest that all readers should undertake a close examination of the process aspects in the text, covered in Chapters 5 to 10. We also recommend that Chapter 9 is read thoroughly as, although not directly about the marketing planning process, it addresses many of the issues which are critical to successful implementation of a marketing planning system.

However, it should be recognized that a little learning is a dangerous thing. While Chapter 13 and the examples of marketing plans provide a clear overview as to how a marketing plan is structured, we advise a thorough examination of the detailed discussion of each of the key steps. For those seriously interested in either initiating marketing planning or in improving the quality of their marketing planning, we strongly recommend them to study the whole book before attempting to use any of the systems and plans provided at the back of the book.

Finally, we have provided references for statements made in the text, but in order to make this book easier to read, we have included these at the end of the book rather than at the end of each chapter.

Best of luck – and happy and profitable marketing planning in your service organization.

List of Figures

- 1.1 Size of the service sector as % of GNP for different countries
- 1.2 Projected growth of employment in services in USA to 2050
- 1.3 Marketing effectiveness ratings for professional service firms
- 1.4 Marketing: a matching process
- 1.5 Overview of marketing map
- 1.6 Define markets and understand value
- 1.7 Determine value proposition
- 1.8 Deliver the service value proposition
- 1.9 Rethinking the sales process for service businesses
- 1.10 Monitor value
- 1.11 Summary of marketing map
- 2.1 Continuum of tangible–intangible possibilities
- 2.2 A continuum for each of the four service characteristics
- 2.3 Nature of service matrix
- 2.4 Style of relationship matrix
- 2.5 Customization and staff judgement matrix
- 2.6 Supply and demand matrix
- 2.7 Service delivery matrix
- 2.8 The marketing process
- 2.9 General development pattern of marketing approaches
- 2.10 Retaining customers pays off
- 2.11 Relationship marketing – a broadened view of markets
- 2.12 Relationship marketing network diagram for a major international airline
- 2.13 The ‘service product’ and the product surround
- 3.1 Strengths and weaknesses of alternative marketing planning models
- 3.2 Relationship between corporate objective and strategies
- 3.3 Ansoff matrix
- 4.1 Marketing planning requires top-down and bottom-up perspectives
- 4.2 Integration of corporate planning, strategic marketing planning and tactical marketing planning
- 4.3 What should appear in a services strategic marketing plan
- 5.1 Key audiences and their expectations in a bank
- 5.2 The generic mission statement
- 5.3 Bain & Company mission statement
- 5.4 Organizational statement of philosophy for IBM

- 5.5 IBM mission statement, values and business model
- 5.6 'The BA Way'
- 5.7 DHL World Express – worldwide mission statement
- 5.8 Human resource mission statement
- 5.9 The 'realizable' mission
- 5.10 Mission statement and the hierarchy of objectives and strategies
- 5.11 Different types of organization focus
- 5.12 Corporate objectives and mission need to be tightly integrated
- 6.1 The constituent parts of the marketing audit
- 6.2 Original market map for marketing books market
- 6.3 Market map of the marketing knowledge promulgation market
- 6.4 Market mapping
- 6.5 Major approaches to services market segmentation
- 6.6 Levels of segmentation emphasis
- 6.7 Illustration of the shape of the car market
- 6.8 Illustration of the shape of the lawn mower market
- 6.9 The shape of the markets from birth to maturity
- 6.10 The product/market lifecycle and market characteristics
- 6.11 The three stages of market segmentation
- 6.12 Micro-segments
- 6.13 An undifferentiated market
- 6.14 Different needs in a market
- 6.15 Segments in a market
- 6.16 The market segmentation process – summary
- 7.1 Example of competitive advantage calculation
- 7.2 Strategic forces impacting on service organizations
- 7.3 The danger of 'current focus'
- 7.4 Starbucks' 'T-Mobile Hot Spot Service'
- 7.5 Comparison of service features
- 7.6 Example of comparative analysis – a software company
- 7.7 Examples of levels of positioning for a bank
- 7.8 Example of a positioning map
- 7.9 Examples of positioning strategies
- 7.10 The lifecycle curve
- 7.11 Non-cumulative diffusion pattern of innovation curve
- 7.12 Product lifecycle at total market and an individual retailer's level
- 7.13 Lifecycle illustrating the potential advantage of entering a market early
- 7.14 How successive services can add to sales growth
- 7.15 Marketing audit checklist for services (expanded)
- 7.16 Marketing audit checklist for an accounting firm
- 7.17 Five key buying factors for UK independent schools

- 7.18 Academic factors
- 7.19 Enhancement/attractiveness factors
- 7.20 SWOT
- 7.21 Strategic planning exercise (SWOT analysis)
- 7.22 Example of the traditional layout for a SWOT analysis
- 7.23 Summary of a partial SWOT analysis for a bank
- 7.24 Risk analysis matrix for opportunities and threats
- 7.25 Example of approach for analysing key assumptions
- 8.1 Ansoff matrix
- 8.2 Gap analysis
- 8.3 Profit improvement
- 8.4 The directional policy matrix
- 8.5 Setting expectations of performance
- 8.6 Directional policy matrix for a financial services company
- 8.7 Ranking market attractiveness and competitive position
- 8.8 A financial services company's MAFs
- 8.9 A completed DPM
- 8.10 Directional policy matrices for three types of company
- 8.11 Cash-generating capabilities of three types of company
- 8.12 Multiple factors matrix – generic strategies
- 8.13 Other functional guidelines suggested by portfolio matrix analysis
- 8.14 The Porter matrix
- 8.15 Cost-effective service development
- 8.16 Marketing objectives and marketing strategies for a service business
- 8.17 Summary of typical marketing strategies for a service business
- 8.18 Response functions for different marketing mixes
- 8.19 The alternative mixes process for a large services company
- 8.20 Market/segment attractiveness 1
- 8.21 Market/segment attractiveness 2
- 8.22 Market/segment attractiveness 3
- 8.23 Plotting the position of segments on the portfolio matrix 1
- 8.24 Plotting the position of segments on the portfolio matrix 2
- 8.25 Company competitiveness 1
- 8.26 Company competitiveness 2
- 8.27 Directional policy matrix (DPM)
- 9.1 The organizational output
- 9.2 Defining a promotion and distribution strategy
- 9.3 Map of the marketing domain
- 9.4 Delivering value – a map of marketing operations
- 9.5 Towards a viable CRM structure
- 9.6 The 'Sunlovers' customer segment
- 9.7 The 'John and Mary Lively' customer segment
- 9.8 Stages of communications

- 9.9 Buying influences and customer size
- 9.10 Sources of information
- 9.11 The 6 Is of e-marketing
- 9.12 Channel chain diagram
- 9.13 The purchase process as an interaction between supplier and buyer
- 9.14 Main tools available for online communications
- 9.15 Search engine optimization and paid search: a hotel example
- 9.16 Different roles of advertising
- 9.17 The need for advertising objectives
- 9.18 Key steps in determining advertising activity
- 9.19 Diffusion of innovation curve
- 9.20 Targets of sales promotions
- 9.21 Types of sales promotion
- 9.22 Key elements of a sales promotion plan
- 9.23 Main publics for a university
- 9.24 Personal contact functions in services
- 9.25 Typical salesperson activities
- 9.26 Formula for deriving the size of the sales force
- 9.27 Example of salesperson's plan
- 10.1 Elastic and inelastic demand for services
- 10.2 Experience curve for electronic banking
- 10.3 Value-based pricing
- 10.4 Pricing range for a service company
- 10.5 Skimming and penetration pricing policies
- 10.6 Factors to consider in the pricing plan
- 10.7 Channel options for service companies
- 10.8 Choosing channels – the value curve
- 10.9 Channel chain analysis: the PC market
- 10.10 Employees and their influence on customers
- 10.11 The service–profit chain
- 10.12 Example of service positioning through changing complexity and divergence (a management training consultancy)
- 10.13 Potential sources of conflict between operations and marketing on operational issues
- 10.14 Illustration of key elements of customer service
- 10.15 The marketing mix 'prism'
- 11.1 Myths and realities about databases
- 11.2 Problems of reconciling internal and external market audits
- 11.3 Examples of business objectives and segmentation methods
- 11.4 Information flows in a marketing system
- 11.5 Focus of reactive marketing research
- 11.6 Focus of non-reactive marketing research
- 11.7 The organizational life-line

- 11.8 Approaches to marketing planning for different stages of evolution
- 11.9 Centralized marketing, separate operating units
- 11.10 Decentralized marketing
- 11.11 The specificity versus duplication balance in marketing planning
- 11.12 A matrix organization for a training and consulting firm
- 11.13 Hierarchy of audits
- 11.14 Strategic and operational planning hierarchy
- 11.15 Strategic and operational planning hierarchy in detail
- 11.16 Broad guidelines to the degree of marketing plan formality
- 11.17 The marketing planning time cycle
- 11.18 The marketing planning cycle – overview
- 11.19 Strategic and operational planning cycle
- 11.20 Some possible types of organizational orientation
- 11.21 The learning/change process
- 12.1 Map of the marketing domain and the three-level accountability framework
- 12.2 Valuing key market segments
- 12.3 Suggested approach
- 12.4 Portfolio analysis – directional policy matrix (DPM)
- 12.5 Overall marketing metrics model
- 12.6 Ansoff matrix
- 12.7 Critical success factors: in each segment, defined by the segment
- 12.8 Marketing metrics model
- 12.9 Cascading actions from the Ansoff matrix
- 12.10 Overall marketing metrics model
- 12.11 ROI. Long-term case history
- 13.1 Principal marketing tools which can be utilized at different phases of the marketing planning process
- 13.2 Marketing planning timetable
- Form 1 Unit mission statement
- Form 2 Summary of SBU's performance
- Form 3 Summary of financial projections
- Form 4 Market overview
- Form 5 Strategic planning exercise (SWOT Analysis)
- Form 6 Competitor analysis
- Form 7 Portfolio summary of the SWOTs
- Form 8 Assumptions
- Form 9 Marketing objectives and strategies for the next 3–5 years
- Form 10 Database and summary of marketing objectives – profits
- Form 11 Consolidated budget for the next 3–5 years
- Form 12 Summary of marketing objectives and strategies
- 13.3 Strategic and operational planning cycle

