CONTENTS

Preface ix
Acknowledgements xiii

Chapter 1 Strategic Market Management: An Introduction and Overview 1
What is a Business Strategy? 3
Strategic Market Management 10
Marketing and its Role in Strategy 15

PART I STRATEGIC ANALYSIS 19

Chapter 2 External and Customer Analysis 21
External Analysis 21
When Should an External Analysis be Conducted? 25
The Scope of Customer Analysis 26
Segmentation 26
Customer Motivations 31
Unmet Needs 35

Chapter 3 Competitor Analysis 41
Identifying Competitors – Customer-Based Approaches 43
Identifying Competitors – Strategic Groups 45
Potential Competitors 46
Competitor Analysis – Understanding Competitors 47
Competitor Strengths and Weaknesses 52
Obtaining Information on Competitors 55

Chapter 4 Market/Submarket Analysis 60
Dimensions of a Market/Submarket Analysis 61
Emerging Submarkets 61
Actual and Potential Market or Submarket Size 62
Market and Submarket Growth 65
Market and Submarket Profitability Analysis 68
Cost Structure 70
Distribution Systems 71
Market Trends 72
Key Success Factors 73
Risks in High-Growth Markets 74
**Chapter 5**  \textit{Environmental Analysis and Strategic Uncertainty} \hfill 79  
Technology Trends \hfill 81  
Consumer Trends \hfill 83  
Government/Economic Trends \hfill 89  
Dealing with Strategic Uncertainty \hfill 92  
Impact Analysis – Assessing the Impact of Strategic Uncertainties \hfill 93  
Scenario Analysis \hfill 95  

**Chapter 6**  \textit{Internal Analysis} \hfill 99  
Financial Analysis – Sales and Profitability \hfill 100  
Performance Measurement – Beyond Profitability \hfill 103  
Strengths and Weaknesses \hfill 107  
Threats and Opportunities \hfill 109  
From Analysis to Strategy \hfill 110  

**Cases for the End of Part I** \hfill 113  
Case 1 – Understanding and Working with Industry Trends. The Future of Newspapers \hfill 113  
Case 2 – Evaluating and Assessing the Implications of a New Business Model. Spotify – Identifying a New Value Proposition \hfill 120  
Case 3 – Competing Against Industry Giants. Competing Against Tesco \hfill 126  

**PART II**  \textbf{CREATING, ADAPTING, AND IMPLEMENTING STRATEGY} \hfill 131  

**Chapter 7**  \textit{Creating Advantage, Synergy, and Commitment versus Opportunism versus Adaptability} \hfill 133  
The Sustainable Competitive Advantage \hfill 134  
The Role of Synergy \hfill 139  
Strategic Commitment, Opportunism, and Adaptability \hfill 142  

**Chapter 8**  \textit{Alternative Value Propositions} \hfill 153  
Business Strategy Challenges \hfill 154  
Alternative Value Propositions \hfill 156  
Superior Quality \hfill 162  
Value \hfill 167  

**Chapter 9**  \textit{Building and Managing Brand Equity} \hfill 175  
Brand Awareness \hfill 176  
Brand Loyalty \hfill 177  
Brand Associations \hfill 179  
Brand Identity \hfill 186
Chapter 10 Energizing the Business 194
Innovating the Offering 195
Energize the Brand and Marketing 199
Increasing the Usage of Existing Customers 207

Chapter 11 Leveraging the Business 213
Which Assets and Competences Can Be Leveraged? 214
Brand Extensions 216
Expanding the Scope of the Offering 220
New Markets 221
Evaluating Business Leverage Options 222
The Mirage of Synergy 225

Chapter 12 Creating New Businesses 230
The New Business 231
The Innovator’s Advantage 233
Managing Category Perceptions 236
Creating New Business Arenas 236
From Ideas to Market 241

Chapter 13 Global Strategies 246
Motivations Underlying Global Strategies 247
Standardization Versus Customization 251
Expanding the Global Footprint 255
Strategic Alliances 257
Global Marketing Management 261

Chapter 14 Setting Priorities for Businesses and Brands – the Exit, Milk, and Consolidate Options 264
The Business Portfolio 265
Divestment or Liquidation 267
The Milk Strategy 271
Prioritizing and Trimming the Brand Portfolio 274

Chapter 15 From Silos to Synergy – Harnessing the Organization 282
Silo-Driven Problems – The Case of Marketing 283
Addressing the Silo Marketing Issues – Challenges and Solutions 285
Organizational Levers and Their Link to Strategy 286
Structure 287
Systems 290
People 292
Culture 295
A Recap of Strategic Marketing Management 299

Cases for the End of Part II 302
Case 1 – Strategic Positioning. Alltech FEI World Equestrian Games 2010 302
Case 2 – Leveraging a Brand Asset. Innocent Drinks 306
Case 3 – Competing Against the Industry Giant.
   HTC – Something Beautiful Is Coming 311
Case 4 – Creating a New Brand for a New Market.
   Tata Nano – Estimating the True Cost of
   the Cheapest Car in the World 316
Case 5 – Transformative Innovation in the Developing
   World 322

Appendix: Planning Forms 330

Index 345