



Strategic Planning and Strategic Marketing

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History of Strategic Planning

Strategic planning first emerged in the military as a planning tool used to direct and maneuver large scale military operations. As it entered the business realm it became a method by which organizations could reach long-term objectives based on the company's vision and mission statement. It is important to note that the business environment to which it was first applied was relatively stable and change was a slowly evolving process.

In order to be effective in today's business climate, strategic planning must become multidimensional and continuously evolving as economic factors, environmental forces and internal resources change. Moreover, strategic thinking is no longer a separate and discrete process involving only the intellect of senior management focusing solely on internal objectives. The traditional strategic planning model, like many of our other business processes, must transcend into the 21st century and adapt to today's turbulent and ever-changing business climate.

Strategic Planning: the analytical-intuitive model

Strategic thinking is predicated on the existence of ubiquitous accelerated change with an inherent assumption that unforeseen contingencies will arise. Environmental dynamics and economic conditions can be difficult to understand or predict; therefore there is a much needed reliance on the imaginative creation of hypothetical conditions, which can be examined and evaluated.

In this strategic planning is idea driven, first involving qualitative analysis to develop hypothesis of possible scenarios followed by quantitative models to assess the viability of those scenarios. Time will define the reality of the outcomes but the suggestive process will aid to prepare the organization for future threats and opportunities.

Strategic planning is a continuous-time, algorithmic process which states how the organization intends to capitalize on environmental changes, when they occur. This involves identifying and evaluating, by a defined set of data points, the purpose of the organization as it relates to external market forces.

The mission and vision statement is the resultant factor not the predecessor of the strategic plan. The tactical is an action summary determining the allocation of resources as defined by the profitability and probability of the potential markets.

The following four categories constitute the elements of the evaluation:

- a. market demand
- b. core competencies
- c. potential ROI
- d. available resources

By following this logical progression, and allowing the assessment of organizational resources and core competencies to be evaluated in relation to the external market conditions, the mission and vision statements become more reality based with a higher probability of occurrence rather than an emotional statement of speculative desires. Additionally the financial measurement component assures viability of a given pathway.

This disciplined act of pre-planning gives the organization a strong competitive advantage by allowing it to respond rather than react to environmental changes. This single ideology can be the defining difference between capitalizing on a market change rather than having to engage in massive cost reductions as a result of unexpected economic forces.

A description of the strategy-driven organization

- Strategy is about positioning and organization for sustainable competitive advantage
- It involves making choices about which industries to participate in, what products and services to offer, and how to allocate corporate resources
- It's primary goal is to create value for shareholders and other stakeholders, by providing customer value
- Analyze strategies based on the financial capital, human capital and other available resources in relationship to market opportunities
- Strategy is about the overall vision and goal of the company. How it plans to compete, who it plans to compete against, what products it wants to offer

Strategic Marketing

- Requires an understanding of your industry, especially emerging trends.
- Requires an in-depth understanding of your target market, including the potential benefits they seek from your product/service and the selling messages they are exposed to daily.
- Strategically, marketing programs should result in more qualified prospects, thereby reducing sales cycle time and increases your conversion ratios



Tactical Marketing

- Tactical marketing is simply an execution of your strategic marketing plan
- Tactical is the actual application of the marketing strategy. Tactical relates to where the marketing dollars will be spent, what marketing vehicles will be used, what the selling message consist of.
- Tactical execution used various vehicle to increase branding and generate leads; such as electronic media, direct mail, trades shows, PR/Media placement

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