Marketing planning process - reflection on the complex of activities that affect all aspects of business life

Marketing planning is a critical business issue, a prerequisite for its successful future. Aforementioned applies to established organizations that take part in market operations for an extended or long time, but also for new entrants to the market. Careful planning allows companies to present themselves in the supply market that many competitors may not face. It can not be managed out that a company without a proper planning will be successful (but mostly only for a short time), but with high-quality planning, the success will be higher and longer. The paper deals with the marketing planning process as a complex of business activities.

Introduction

A company that wants to be successful and which wants to develop efficiently needs to learn to plan marketing activities. The marketing planning process is ordinarily intelligible in a general sense, simple and universally applicable. In practice, it is harder to achieve the marketing goals outlined in the plan.

Given that effective marketing planning is an essential source of information for anticipating necessary market development processes and significant changes in customer buying behavior, top management can not address critical development tasks (investment and cooperative tasks, changes in the production program, expansion of production capacities, etc.) without Marketing (Solomon et al. 2006, p. 17). That provides inputs for the strategic management process. Marketing variables are one of the core facts for administration and decision-making at the top level of the business. The success of the company depends on the permanent application to the target markets. Whatever the primary goal of the enterprise is, those companies that want to be successful must achieve satisfactory levels of profit over a period of time – such levels that allow for further existence and development. Adequate benefits are usually only possible if customer needs are identified and satisfied.
Based on years of experience in marketing issues, it is possible not only to confirm the importance and necessity of marketing planning but also to reveal the process of marketing planning as a weak point for-profit and non-profit organizations in our economy. And this is the main reason why to approach the marketing planning process and to emphasize the final step of the process – a well-developed marketing plan as the basis for effective implementation and adequate control of the marketing process of the business.

1 Planning process

In general, the planning process is:
• based on reliable, relevant and timely information at the time of the plan and drawn from the internal and external environments;
• focused on the formulation of objectives that can be reached in future time periods;
• linked to the determination of the procedures and means by which the objectives will be achieved;
• completed by setting up a marketing plan.

Particular business planning means that the unit (planning entity):
• analyses the environment in which it operates;
• sets targets for the future time horizon;
• formulates strategies for achieving goals;
• draws up a plan – a document – as a guideline for achieving objectives (both short and long term) within the allocated resources that the organization can use and the rules that the plan encompasses and are necessary to meet the goals.

While respecting the organization’s hierarchical level, the planning process in the context of marketing activities takes place at a company level, functional levels and strategic business units (Westwood 1998, p. 81-83).

At the company level, the process involves a comprehensive planning of the entire organization, its future focus. The basis is to explore the needs of the target market and the ability of the company to meet these requirements, identifying market opportunities and alerting about the factors threatening the running of the company. Market priorities are set as an aggregate target for the entire organization. The resulting plan is a guideline for the company as a whole. Top management is responsible. Exaggeratedly, this is also the first phase of marketing planning.

At the appropriate corporate levels, the planning process takes place within corporate areas, and the management of the appropriate level is responsible. The marketing process involves a marketing planning process with marketing management responsibility that sets specific goals, formulates appropriate strategies, and prepares a marketing plan. Marketing planning actions are strongly supported by the company-wide planning of suitable marketing opportunities and their use in a certain market, as well as through the elaboration and development of objectives in agreement with complex corporate tasks and their fulfillment. The process involves both a broader planning period, mostly five-year combined with strategic plans in line with the strategic plan, and detailed planning predominantly for decision-making in an annual time horizon. The resulting plan is developed for a longer period (long-term plan document – usually five years), for annual time periods and tactical plans for the area. That is a presentation of both strategic goals and tactical orientation for the marketing area. These facts apply to organizations that prefer a functional type of control. If the process type of administration is preferred, then the planning process must be conceived on this basis.

The level of strategic business units (corporate entity, the group of business entities, product-
specific divisions) is the place where appropriate marketing plans are being prepared. Strategic business units are managed within decentralized centers by a way that corresponds to a separate entity with the possibility of compiling a marketing plan. The unit management is responsible. The resulting plan is drawn up for medium and long-term prospects. Planning activities carried out at the appropriate levels must be in concert, must fit into the overall direction of the target company’s tasks. Planner collaboration at individual levels is essential. They need to realize that their planning activities are a collective support for the company’s goal as a whole.

The planning process, as is evident from the above statements, is also affected by the time horizon (Veber 2009, p. 109). These include long-term planning, medium-term planning, and short-term planning. The length of the period to be tracked and distinguished for planning works is influenced by many factors, in particular, the nature and size of the organization, the structure and the technological process (in the marketing area, for product R & D, product life cycle). Large companies, in terms of time, are working with horizons that are considerably longer than smaller and smaller firms where annual marketing plans may seem longer-term. “A significantly similar aspect is a breakdown of strategic, tactical and operational plans” (Fotr et al. 2012, p. 85) so that strategic, tactical and operational timetable delineation can be observed. The crucial aspect of the strategic, tactical and operational plans is the character of decision-making processes (Veber 2009, p. 109). “In terms of time perspective, three basic levels of planning can be distinguished:

- long-term – mostly carried out over more than five years,
- medium-term – usually ranging in the range of one to five years,
- short-term – usually covering the seasons or shorter periods” (Fotr et al. 2012, p. 85).

Marketing strategic planning (marketing activities require strategic planning; therefore, the marketing plan must be understood in the context of strategic planning) is defined by the planning process and the time horizon. It is focused on the future market development of the organization. It respects the vision, builds on a mission, specified goals derived and consistent with company goals and understands strategic business processes as a basis for marketing strategies (Kourdi 2011, p. 125-134). It works with factors and facts within longer time horizons, including several consecutive common planning seasons. Requires annual revisions, if necessary, current edits. It strives to reconcile resources (financial, material, human and information) and skills (skills, expertise, experience, competencies) with market opportunities (optimization) and threats (minimizing) to meet the needs of target markets (variable requirements) as a basis for the company’s long-term prosperity. It is the organization’s marketing direction with the definition of the scope of the relevant activities. The resulting plans usually include time horizons of 3 and 5 years (even more, long-term concepts over 20 years can not be excluded) (Note [1]). They contain the necessary strategic accent, which is not only the variant approach to the marketing development of the company but also the characterization and evaluation of the company’s reaction to the variability of the elaboration of the business environment. They emphasize the core tasks and put pressure on plans at individual enterprise levels to achieve business goals.

Marketing tactical planning is going to implement the policies set out in the strategic plan. The process focuses on the customer and his changing needs in future seasons. At this stage, strategic tasks are specified in the medium term, most often one year (a series of detailed steps covering actions in shorter time periods), and the means of achieving them within the time horizon defined by the strategic plan are specified. It determines the activities and factors related to the products and their attributes, including formulation of pricing policy, determination of distribution routes and sales promotion. The resulting plans contain a narrow distribution of marketing tasks usually for the annual time horizon (annual planning period is necessary because some activities require action within 12 months or less and budgets also require annual planning). Marketing operational planning aims to implement tactical plans and implement them (short-term plan: annual periods developed for shorter periods of time, quarterly, monthly plans, in justified
cases weekly). The resulting plans respect the intentions of the tactical plans, the accurate factual content is related to the subject of the organization’s marketing activities.

Practical planning is also used in company practice. It is understood as a process aimed at creating a detailed document – an operational plan – within the relevant area. “Operational plans focus on the daily implementation of the marketing plan. They include detailed guidelines for the implementation of specific activities, appoint responsible persons, and set a timeframe for the performance of individual tasks (Solomon, Marshall and Stuart 2006, p. 48). They are the basis for the day-to-day implementation of functional plans. Marketing, for example, involves communication with new products, selling products for the next month. Operational plans contain detailed guidelines for the execution of specific activities with the names of the persons responsible and the deadlines for performing the individual tasks. These functional documents are basically implemented (an example in marketing is the communication process with respect to new products in the deployment phase).

The content of the plans is also a detailed timetable for the implementation of specific activities with the names of responsible persons with the deadlines for fulfilling the individual tasks. The business planning category is typically characterized by a continuous process based on a business plan, the results of which are a guide for the whole company in the short and long term.

1.1 Marketing planning process

The marketing planning process is a continuous process, not a one-off or single operation. It means creating and maintaining a balance between the objectives of the business and its capabilities concerning the changing environment in which the company operates, where it manufactures and sells. It represents the application of relevant marketing resources in such a way as to achieve marketing goals. It is a guide for marketing decision making in both short and long-term time horizons.

Plans are implemented at the appropriate levels and planning at individual levels must be in concert and must fit into the overall direction of the target company’s tasks. Planner collaboration at individual levels is essential. They have to realize that their plans are a common support for the company’s goal as a whole.

Useful planning will enable managers to anticipate market developments, prepare for change better, respond quickly, and thus prevent potential down surge in marketing performance. It enhances the possibility of using marketing opportunities and eliminating threats that occur in a changing environment.

The starting point of marketing planning activity is:
• a clear definition of the company’s mission,
• identifying business goals,
• formulating a strategic business direction,
• identifying key opportunities for a company,
• all in relation to enterprise resources,
• for a certain period of time (Horáková 2014, p. 13-17).

These steps immediately precede the marketing planning process, which represents a series of activities taking place in clear and understandable sequence in the sequence shown in Figure 1.
The business’s mission, goals, and strategy – listed in the first phase, can not be directly taken into account in the marketing planning process, given that these activities require respect as a starting point for marketing planning, so this placement must be seen as a link between marketing and corporate governance. Own marketing planning starts with an analysis of the environment – situational analysis – when the results of the analytical process of the internal and external environment establish, support and improve the planning procedures by knowing, understanding the marketing environment and realizing the situation in the environment and understanding the changes in the space. Situational analysis is highlighted by the SWOT analysis, which is to map and evaluate (Keřkovský and Vykypěl 2006, p. 137):

- **internal environments** – all controllable elements within a company that significantly affect its activities (operating technologies, production facilities and their status, financial stability, products and their attributes, relations with suppliers, skills and professional level of employees and management), from the internal environment major strengths and weaknesses;
- **external environment** – elements outside the company that has a strong influence on it, either positive or negative, are out of control, management has to recognize, understand and respond to them, influential opportunities and dangerous risks arise from the environment (Horáková 2003, p. 38).

Prerequisites for future development form the basis for future development. The subsequent phase is the setting of marketing goals, which mean corporate marketing tasks (all activities aimed at achieving goals) for a particular period, the choice of target/target markets and decisions. Furthermore, it is necessary to identify strategies that will be selected, subsequently formulated and used to achieve the objectives (which activities will be carried out and which instruments will be decided to meet the goals set). Implementation (action) programs defining individual activities (programs of specific activities) to fulfill everyday tasks, responsibility for their application and timetable (they answer questions: who, who, when, how long). Past facts are the basis for the final step of the process of creating a marketing plan. By developing the plan, the marketing planning process closes. The plan is a guideline for the company in both short and long term horizons. In process enterprise schemas, a dashed line is attached to the goals, strategies, and possible alternatives, indicating a high probability of performing these steps more than once before the final plan is drawn up.

The steps presented in the overview are universally applicable, but the degree of their applicability depends to a large extent on the size and structure of the company, on the variety of operations being performed. Organizations with a simple program generally use formally defined procedures to a lesser extent than in highly diversified companies.

The planning of marketing activities is aimed at creating a valuable regional offer, in addition to the basic product (product, service) with basic utility and other attractive features (for example, in the
form of travel agency services, meetings with important travelers, information about local cuisine, ). Attention is also paid to the anticipated highly monitored problematic items that influence price decisions, discounts, payment terms and other attributes closely monitored by customers. The value offered must actually be provided, delivered to the target market, communicated with the customer, and the creation and provision of value must be beneficial to both stakeholders (Bouckova 2003, p. 25-31; Kotler and Keller 2007, p. 452).

The planning process is the type of management process that leads to the compilation of a marketing plan (environment analysis → goal setting → strategy formulation → plan to achieve goals), where:

- theoretical level means logical, to understand not too rational complex, the organization of marketing activities into a complex called a marketing plan;
- concerning practice (actual transfer to business conditions), the inclusion of all marketing elements of the organization in a certain order in a single document emphasizes the resources earmarked for this purpose and their reliable application to effectively achieve both marketing and business goals.

It is not easy to combine marketing goals and strategies with real opportunities and environmental threats (Kotler et al. 2007, p. 59-60).

2 Methodology and objectives

The aim of the article is simply to explain the marketing planning process by description and explanation and to show how to elaborate a marketing plan. At the same time, the analytical results of the questionnaire survey, which dealt with the approach of companies to create and work with the marketing plan, are interpreted. The survey took place from 18 to 31 October 2016, in the Czech language, and a random sample of enterprises was approached, with a return on questionnaires of almost 72%. In total 60 responses were obtained. The subjects of the survey were companies of all sizes.

<table>
<thead>
<tr>
<th>FORM OF BUSINESS</th>
<th>NUMBER</th>
<th>%</th>
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<tbody>
<tr>
<td>joint-stock company</td>
<td>8</td>
<td>13.30%</td>
</tr>
<tr>
<td>cooperative</td>
<td>2</td>
<td>3.30%</td>
</tr>
<tr>
<td>limited partnership</td>
<td>1</td>
<td>1.70%</td>
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<tr>
<td>limited liability company</td>
<td>28</td>
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<td>public company</td>
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<td>0%</td>
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<tr>
<td>tradesman</td>
<td>21</td>
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<tr>
<td>TOTAL</td>
<td>60</td>
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Figure 2: Form of the business
Source: author’s own work by questionnaire

They were manufacturing companies, but also businesses offering customer service. Most companies represented up to 10 employees (62% less), other types of enterprises were represented evenly after 10% of respondents – only enterprises with 51-100 employees represented 8% of the answers. Less than 47% of respondents are from limited companies, 35% from traders. The questionnaire has 14 questions, the last two being the identification and tracking the number of employees of the enterprise and the form of business of the entity. A total of 3 questions answered yes/no, for 4 questions the respondent selected from the list of answers. The questionnaire survey included 4 open questions to evaluate the extent to which respondents to the topic were understood or not. The baseline is in this case 60 observations (i.e., N = 60, 14 variables). Since the questionnaire survey is divided by a positive or a negative response, the file is gradually diminished (but this does not affect the analysis itself).
3 Results

Only 29 business representatives (48% of respondents) confirmed the marketing management as a regular part of business management. The concept of marketing management in the most general position can be considered as more than half of the management, but the nature of the management is no longer reflected in a particular process of managing marketing activities in everyday business practice.

Answers to the question to characterize your concept of marketing management within your business is a sign of the misunderstanding of marketing management in an enterprise. Examples include repeat responses: market price tracking or minimum earnings. The body or person in charge of which is the commercialization of an enterprise is recognized by only 21 entities, representing 35% of the responses. 65% of respondents said they did not compile a marketing plan and the number of respondents who confirmed the plan (21 subjects) and were unable to specify the analytical procedure used to build the plan. Answers reveal terminological ambiguities and inability to select appropriate practices (e.g., legal standards, gap analysis, business strategy analysis, Ishikawa methods, benchmarking, or Paret’s rule).

Only 10 companies (less than 35% of the 29 respondents who report marketing management as a regular part of their enterprise) confirmed the use of situational analysis. These answers indicate a misunderstanding of the purpose of the analytical process. The analysis conducted for the marketing planning process requires marketing participation. To mitigate subjective judgment, the appropriate participation of other corporate employees (in answers included: economist, manager, company management, company director), no answer in the question for example, a standing customer, an expert working on the enterprise. The form of the analysis is not normative. For trouble-free use, it is necessary to observe certain principles and composition. However, this does not reflect the results of the survey as respondents did not choose this option at all.

The presentation of the marketing plan to the internal environment of the company was confirmed by 24 subjects (84% out of 29 subjects), 12 of them presenting a top management marketing plan, 4 for middle management, 3 for lower management and for impersonal presentation, Via e-mail, occurs in 5 entities.

The process of revising the plan was testified by 17 entities, and the plan does not undergo revisions in almost 30% of cases. Revising a planning document is not an easy task, confirming answers to the question of what is happening in the company to revise the marketing plan, which differed greatly (from the end of the marketing year, through the impulses triggered by unexpected situations to the evaluation of the current market position).

Marketing goals, in general, correspond to the discovery of customer needs and wishes and their full satisfaction. They represent the specific marketing intentions of an enterprise for defined time horizons, expressed in quantitative terms, and specifically relate to products and markets. 48% of respondents (32 subjects), 9% (6 subjects) said that the targets are focused on suppliers and 16% of subjects (11 responses) target the competition. Decision-making about strategy selection is part of the marketing planning process. Initial orientation and the possibility of factual use will facilitate the system approach, respecting the specific internal business conditions and the situation in the external environment.
Figure 3: Selected strategic marketing practices
Source: author’s own work by questionnaire
Based on the marketing mix (33% of the preferred business practice), 33% of the participants opted for the strategic approach, while only 8% of the participants’ product life cycle was chosen. Competitive strategies are not mentioned in the answers at all.

4 Conclusion and discussion

The marketing planning process is frequently understandable, easy to understand, and usually applicable. In practice, successful marketing goals are difficult to achieve. Application difficulties relate primarily to the environment in which the company manufactures and sells, with market growth and market share, the intensity and organizational structure of the business, the technological level of the company, and the internationalization of the market.

To set up a marketing plan means to carry out a series of procedures based on past surveys, statistics and control reports, to respect the current situation and to pursue future objectives in accordance with the budget, to define marketing objectives consistent with the objectives of the enterprise, to formulate the marketing strategies necessary to achieve the goals, Programs, including deadlines for implementation, organized in the form of timetables, including the budget for the relevant activities, and this is a complex problem for a number of companies.

Enterprises in a free market economy do not have to plan, are not forced to do so, and no obligation to draw up a plan, it does not follow from any legal standards. Most companies plan, though not necessarily, to build plans. It can be admitted that there are companies that will not be able to get around. They can wait, follow developments, and rightly assume they will do all the necessary operations well and take all the necessary action in time to keep them on the market. They can behave, of course, repeatedly, assuming that they are at the same or better levels of profit than their competitors, and can also hope that banks will only be able to lend money on promises. However, this is unlikely in the long run and, in the short term, is highly uncertain. It must be admitted that there will also be companies that, without a plan, only on the basis of their experience, will produce a good result, probably only for a short time. It may also happen that even the best plans will not flaunt the future without a doubt. Actual marketing professionals are scientifically planning and implementing the designed plans, saving what happened without problems, what works flawlessly, and where there have been bigger debacles or even minor mistakes. Conclusions reflect the corrective actions for the future. Even in the 21st century, marketing planning has not become a surprise. Even in this timeframe, it is an organic part of management. It is clearly a matter of course in the conditions of the market economy of our age. An unnamed US manager says: who does not plan has a great business sense.

Poznámky/Notes

[1] Fotr et al. subdivides strategic plans from a time point of view into long-term strategic plans – their timing is heavily dependent on business, product lifecycle, business environment dynamics, etc. and on medium-term strategic plans – they represent the most important corporate planning tool (Fotr et al. 2012, p. 85).

Literatúra/List of References

Kľúčové slová/Key Words

marketing management, marketing planning, marketing plan, situational analysis, marketing objectives, marketing strategies, presentation of marketing plans, revision of marketing plans marketingový manažment, marketingové plánovanie, marketingový plán, situačná analýza, marketingové ciele, marketingové stratégie, prezentácia marketingových plánov, revízia marketingových plánov

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Résumé

Proces marketingového plánovania – pohľad na súbor aktivít, ktoré ovplyvňujú všetky aspeky podnikateľského života


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