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 58

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 Environmental Analysis and Strategic Uncertainty

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Trends</td>
<td>81</td>
</tr>
<tr>
<td>Consumer Trends</td>
<td>83</td>
</tr>
<tr>
<td>Government/Economic Trends</td>
<td>89</td>
</tr>
<tr>
<td>Dealing with Strategic Uncertainty</td>
<td>92</td>
</tr>
<tr>
<td>Impact Analysis – Assessing the Impact of Strategic Uncertainties</td>
<td>93</td>
</tr>
<tr>
<td>Scenario Analysis</td>
<td>95</td>
</tr>
</tbody>
</table>

### Chapter 6 Internal Analysis

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Analysis – Sales and Profitability</td>
<td>100</td>
</tr>
<tr>
<td>Performance Measurement – Beyond Profitability</td>
<td>103</td>
</tr>
<tr>
<td>Strengths and Weaknesses</td>
<td>107</td>
</tr>
<tr>
<td>Threats and Opportunities</td>
<td>109</td>
</tr>
<tr>
<td>From Analysis to Strategy</td>
<td>110</td>
</tr>
</tbody>
</table>

### Cases for the End of Part I

<table>
<thead>
<tr>
<th>Case</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1 – Understanding and Working with Industry Trends. The Future of Newspapers</td>
<td>113</td>
</tr>
<tr>
<td>Case 2 – Evaluating and Assessing the Implications of a New Business Model. Spotify – Identifying a New Value Proposition</td>
<td>120</td>
</tr>
<tr>
<td>Case 3 – Competing Against Industry Giants. Competing Against Tesco</td>
<td>126</td>
</tr>
</tbody>
</table>

---

### PART II CREATING, ADAPTING, AND IMPLEMENTING STRATEGY

### Chapter 7 Creating Advantage, Synergy, and Commitment versus Opportunism versus Adaptability

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Sustainable Competitive Advantage</td>
<td>134</td>
</tr>
<tr>
<td>The Role of Synergy</td>
<td>139</td>
</tr>
<tr>
<td>Strategic Commitment, Opportunism, and Adaptability</td>
<td>142</td>
</tr>
</tbody>
</table>

### Chapter 8 Alternative Value Propositions

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Strategy Challenges</td>
<td>154</td>
</tr>
<tr>
<td>Alternative Value Propositions</td>
<td>156</td>
</tr>
<tr>
<td>Superior Quality</td>
<td>162</td>
</tr>
<tr>
<td>Value</td>
<td>167</td>
</tr>
</tbody>
</table>

### Chapter 9 Building and Managing Brand Equity

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Awareness</td>
<td>176</td>
</tr>
<tr>
<td>Brand Loyalty</td>
<td>177</td>
</tr>
<tr>
<td>Brand Associations</td>
<td>179</td>
</tr>
<tr>
<td>Brand Identity</td>
<td>186</td>
</tr>
</tbody>
</table>
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
Contents

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