



Strategic marketing plans and collaborative networks

Strategic
marketing plans

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Abstract

Purpose – This paper seeks to propose a new framework for the marketing planning process that is better adjusted to the modern operational environment, with particular emphasis on the exploitation of collaborative “company networks” in optimising the potential of the plan.

Design/methodology/approach – A review of the academic literature of marketing planning, three participant-observation case studies and a focus group, the latter two in Brazil, provided the conceptual input for a very detailed stepwise model for marketing planning in a network environment.

Findings – The new model, including its focus on collaborative action, earned considerable support among participants in the second and third phases of the research. The plan itself was found to be applicable in practice. Obstacles to the achievement of collaborating networks were identified, and solutions are proposed.

Research limitations/implications – The study proposes and tentatively tests a systematic, sequential framework for marketing planning. It also casts light on networks and working relationships from an unusual angle, which may be transferable to other contexts. Suggestions for further research mainly concern the application and testing of the new model in practice. Limitations concern the representativeness of the case-study and focus-group respondents, and the timescale.

Practical implications – The major managerial implication of this research study is the planning instrument it proposes and, tentatively, tests. It holds the promise of more making marketing budgets work harder, via more systematic planning and exploitation of the power of networks.

Originality/value – The proposed model differs from other marketing planning frameworks in treating the company to which it is applied as member of a network, not an individual. The study took place in a very large “second-world” economy, a setting very different from those in which conventional marketing plans have been proposed and applied.

Keywords Marketing planning, Network, Operating systems, Brazil

Paper type Research paper

Introduction: room for change in the marketing planning process

The growth in international trade, opening of economies and global access to information have brought increasing competition in several industries, resulting in strong consolidation and reduction of margins. This new environment introduced marketing strategists to an era of strict budgetary control and coordination, demanding very careful decision making with respect to where and how to spend what resources were available. In response to the constraints imposed by the globalization of markets, which often have no conventional boundaries, firms and their marketing function have become more international, and recognized a growing need to focus on their core businesses, outsourcing activities and contractual relationships, so as to

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manage their inputs and distribute their outputs efficiently. Real networks are being developed, focusing on relationships, and continuous and sustainable development (Heide and Miner, 1992; Hertz and Mattsson, 2001; Noonan, 1999; Webster, 1992).

Several joint activities relate to the company's supply chain. Collaborative buying groups are linking autonomous companies such as Fiat and General Motors or Carrefour with other retailers and groups of agricultural producers. The savings to be achieved in input and transaction costs are clear. At the same time, cooperation in the marketing channels and with clients has also been receiving increasing attention, and is advocated by practitioners and academics as a way to manage the operational costs of marketing more effectively (Biong *et al.*, 1997; Blois, 1997; Bucklin and Sengupta, 1993; Heydebreck and Maier, 1997; Gemunden *et al.*, 1997).

Cooperation and collaboration networks may be vertical, between players at technologically distinct stages (for example, suppliers and distributors) or horizontal, involving competitors or even firms supplying complementary products to the same target-market (Gemunden and Ritter, 1997; Gulati, 1998). The collaborative approach aims to make companies more demand-driven and better adapted to operate in the increasingly competitive market environment, by reducing costs of all kinds and improving efficiency in the buying and selling processes.

The literature of marketing planning and control processes has not so far emphasized strong collaborative networks (Campomar, 1983; Westwood, 1995; Cooper and Lane, 1997; Las Casas, 1999; Lambin, 2000; Jain, 2000; McDonald, 2002). The firm has not been perceived as part of a network linking the suppliers of its production needs with actors in its marketing channels and with its competitors. As outsourcing, partnerships, alliances and other forms or "arrangements" become more important and pressure on margins increases, planners and strategists have the opportunity to adapt existing methods and establish the design and management of collaborative action as a formalized and structured corporate objective, enshrined in the marketing plan.

Objectives

The research presented in this paper had four central objectives:

- (1) to review existing marketing planning methods and assess the scope for improvements;
- (2) to design a sequential strategic marketing planning and management (SMPM) process that incorporates a strong network and collaborative element;
- (3) to verify the applicability of the proposed model; and
- (4) to assess companies' readiness for structured networking and collaboration in their marketing operations.

Methodology

First, a systematic review of the literature of marketing planning and control models was undertaken, to extract potential ingredients of a more comprehensive SMPM process. Current practice in three companies was then examined in depth over three years, during which modifications to the existing marketing plans were proposed to the management, and the outcomes monitored. This was, in short, a form of participant observation. The findings were added to the inputs to the developing framework for the eventual plan.

To assess the applicability of the proposed structure and sequence in practice, and the acceptability of the underlying idea of cooperation, collaboration and commonality, ten marketing directors were recruited for a focus group discussion. They were drawn from multinational firms in Brazil that supplying the beef and dairy industries, operating in a market worth about US\$ 10 billion a year. Although selling to the same clients, their companies were not direct competitors. They included, for example, one fertilizer company, one producer of supplements and one of feedstuffs, one supplier of veterinary products, a company specializing in genetics, a provider of infrastructure services, and so on.

A schema of the research plan and procedure is presented below:

- (1) Understand structures and sequences of published models for marketing planning (desk research and literature review).
- (2) Develop an alternative model, incorporating a networking approach.
- (3) Apply this in three companies over a period of three years (case studies).
- (4) Improve the proposed model (desk research).
- (5) Test acceptability and applicability (focus group).
- (6) Propose list of marketing activities (focus group).
- (7) Propose list of potentially collaborative activities (focus group).
- (8) Compile list of feasible collaboration activity (focus group).
- (9) Identify possible problems and consider how to deal with them (focus group).

During discussion and evaluation of the model derived from the literature and the three case examples, participants tried to set up a common agenda of collaborative marketing initiatives, to predict problems that could threaten potential collaborative activities, and to explore ways avoid them.

At a critical stage in the exercise, the traditional focus group procedure became more structured, as participants were instructed to complete individual questionnaires containing open and multiple-choice questions. They were asked to:

- say whether or not their companies carried out the marketing activities proposed in the sequence;
- evaluate on a ten-point scale the importance of the activities, in the context of their own companies;
- evaluate on a ten-point scale how much their companies benefit by performing these activities collaboratively; and
- estimate on a ten-point scale the probable commitment to engagement in such collaboration.

The findings from this exercise were added to the output of the previous two, to form the total conceptual framework from which the SMPM planning model was developed.

Literature review

Marketing planning and control models

The models, schemes, plans, templates and descriptions identified in the literature are summarized in Table I. It is judged unnecessary to elaborate the details here, partly on account of the inevitable length of a thorough discussion, but mostly because most if

not all of the ten planning processes reviewed are both well known and commonly used. The main aim of the table is to give a general overview, identify the steps or stages involved in each, and permit personal comparison and consolidation. Table II provides further commentary on the convergences and divergences between and among the 11 approaches analysed.

Company network approach

The theoretical model of a company network is defined here as the group of supplier companies and distributors that are responsible for the flow of products, services, communications, information, orders and payments necessary to connect the company under consideration with its raw material suppliers and the final consumers of its products, services or derivatives. It is shown schematically in Figure 1.

The term “network” can be used in many ways depending on context, even within marketing (neural networks, franchising networks, industrial networks, retail chains, and so on). Here, it refers specifically to the working relationships established and maintained by a firm or organisation, what is commonly referred to as the “company network”. According to Lazzarini *et al.* (2001), the analysis of networks provides the tools for mapping the structure of inter-organizational relationships and liaisons, based on the acknowledgement that the structure in networks both limits and is informed by the constituent actors’ actions.

The company network concept thus provides marketing strategists and planners with the means to analyse a company and its pool of suppliers and distributors, competitors, environment, facilitators and others, in a meaningful way, to map the existing relationships among them, and to assess the impact of the competition and the operating environment in general. Treating a company as a complex network enriches strategic analysis, better linked to the fast changing environment that has characterised the past decade. This is in essence the relationship and interaction approach, which has been widely reported in the literature (Omta *et al.*, 2001; Neves *et al.*, 2001; Gemunden *et al.*, 1997; Bridgewater and Egan, 2002; Ford, 1998; Håkansson and Snehota, 1998, Gadde and Håkansson, 2001) and has had an important impact on business network management and relationship marketing (Mattsson, 1997).

Focusing on the network of a company under study permits additional consideration of the facilitator companies (such as transportation companies, insurance agencies, certification companies, warehousing services, logistics specialists, banks, and so on) that perform functions to facilitate the flow its products to market. Similarly, inclusion in the analysis of direct competitors and other companies not in direct competition but operating in the same target market, permits consideration of the collaborative marketing initiatives (such as trade associations, exporting joint ventures, cooperative generic advertising, and many others) which are at the heart of the SMPM paradigm.

The term company network management defines the process of managing relationships with all the many associates, facilitators, collaborators and competitors that are logically included in a company’s network, as defined here. It has two main components: management of distribution channels and management of the supply chain. The focus of the SMPM framework on the whole network reflects the increasing importance of control over the supply process, due to the recent trend to “product traceability” and the potential negative impact of problems in the supply chain on corporate reputation and brand equity.

	Westwood (1995)	Wright <i>et al.</i> (2000)	Las Casas (1999)	Kotler (2000)	Wood (2004)	Cooper and Lane (1997)	McDonald (2002)	Campomar (1983)	Jain (2000)	Gilligan and Wilson (2002)
Strategic mission	Set corporate objectives	Analysis of opportunities and threats in the external environment	External data	Executive summary	Executive summary	Present position	Mission	Internal and external situation analysis	Strategic analysis (external and internal environment)	Executive summary
External audit	External marketing research	Analysis of the internal environment	Internal data	Current marketing situation	Current marketing situation	Internal audit	Objectives	Objectives		Background and context of plan
Internal audit	Internal marketing research		Determine future development	Opportunity analysis		External audit	Marketing audit	Restructuring of action programme		Organizational vision, mission and aspirations
								Positioning		
								Pricing		
								Promotion		
								Product		
								Point of sale		
								Expected marketing margin		
								Scheduling		
	SWOT analysis			Goals	Objectives and key-drivers	Marketing mix strategies	SWOT analysis		Analysis of strategic skills and directions	Market and situation analysis
Set objectives	Marketing objectives and expected results	Formulation of strategies	Objectives and goals	Marketing strategy	Target market	Objectives	Assumed conditions		Formulation of strategies	Internal analysis

(continued)

Table I.
Marketing planning models proposed in the literature

	Lambin (2000)	Westwood (1995)	Wright <i>et al.</i> (2000)	Kotler (2000)	Wood (2004)	Las Cases (1999)	Campomar (1983)	Jain (2000)	Gilligan and Wilson (2003)
Introduction	1. Audit in strategic marketing			1. Executive summary	1. Executive summary			1. Selection of a perspective for elaboration of the plan	1. Executive summary
Corporate objectives	2. Definition of strategic mission	1. Establishment of corporate objectives	1. Analysis of opportunities and threats in the external environment			1. Environmental analysis: threats and opportunities	1. External analysis: identification of threats and opportunities	2.1 Understanding of competition market and the situation	3. Vision, mission and aspirations
Analysis of the external environment	3. External audit: analysis of environmental attractiveness	2. External marketing research						2.2 Focus in the customer environment	4. Analysis of the market and the situation
Analysis of the internal environment	4. Internal audit: 4.1 Competitiveness analysis	3. Internal marketing research	2. Analysis of the internal environment	2. Actual situation	2. Actual situation	2. Internal analysis: strengths and weaknesses	2. Strengths and weaknesses	2.3 Sweep of the environment	6. External analysis 9. Target market and characteristics
Singular aspect of the model		4. SWOT analysis			3. Target market			3.1 Corporate analysis	5. Internal analysis
Marketing objectives	4.2 Definition of objectives	5. Establishment of suppositions (scenarios)		3. Objectives				3.2 Measurement of strengths and weaknesses	All steps that deal with strategy and strategic factors within the stages
Establishment/ implementation of marketing strategies	4.3 Choice of strategic direction	6. Definition of objectives	3. Formulation of strategies	5. Programmes of action	4. Objectives and key factors	3. Objectives	4. Objectives	4.1 Selection of the strategy	10. Preliminary objectives
		7. Development of strategies/action plans	4. Implementation of strategies	4. Marketing strategy	5. Marketing strategy	4. Marketing target-public	5. Action programme	4.2 Portfolio analysis	12. Marketing strategies
		8. Definition of programmes/communication plans		6. Marketing programmes	6. Marketing programmes	5. Positioning mix strategy		4.3 Definition of organizational structure	13. Management of seven Ps
						7. Action plan			14. Brand management
									15. Budget
									16. Revision and reformulation of objectives

Table II.
Commentary on the models

Flows of products, services and marketing communications
 Flows of market/consumer information, financials and product requests

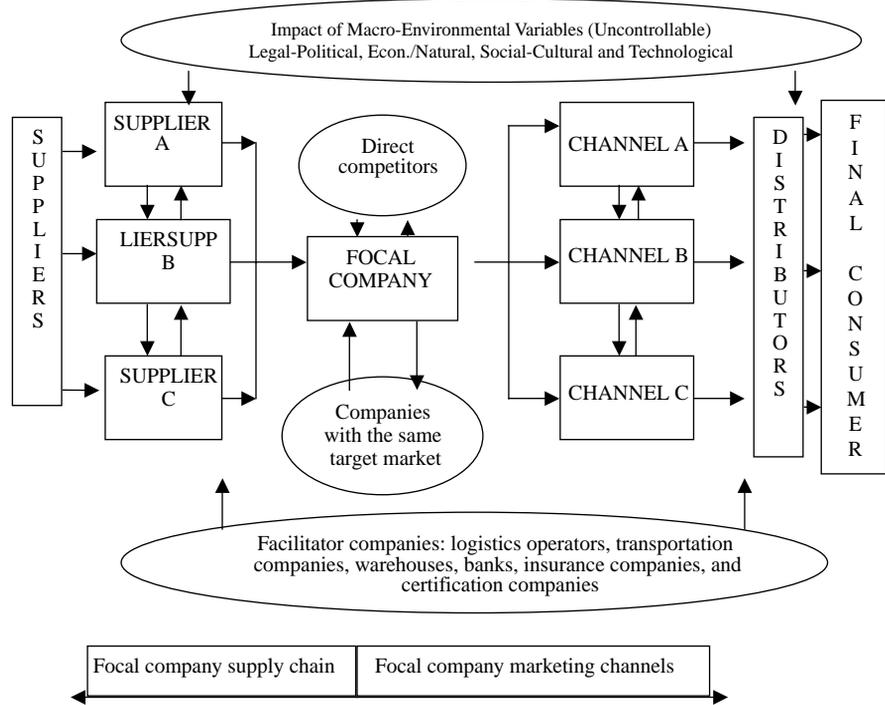


Figure 1.
The company network

Focus group

The SMPM sequence was readily accepted by all ten participants. Among activities related to marketing intelligence, every company represented did conduct competitor analysis, but little or nothing else. On the other hand, “marketing intelligence” received an average score of more than five out of ten in the questionnaire phase of the exercise. Managers apparently believe they can gain from conducting formal marketing research and that the input can be enhanced by collaboration in such cases as investigation of consumers’ decision-making processes. Some relevant initiatives have in fact since been implemented.

Turning to the structured phase that concluded the focus group session, questionnaire responses show that the most commonly used vehicles for implementing the marketing communications strategy were magazines, catalogues, folders, point-of-sale displays, and routine use of the companies’ symbols and logos.

Participants recognized the value of collaborative video presentations and similar communication techniques, to instruct potential consumers of somewhat technical products and services in the arguments for their adoption. Answers relating to sales promotion show that technical field tests, conferences and discount schemes were the most popular tools, all of which participants thought could offer good opportunities for collaboration within the company network. With respect to public relations, participants reported that sponsorships were the most common activity, but the considered company visits and field trips to be the most important, offering scope for collaborative initiatives.

All companies represented by the ten participants already performed the activities in the SMPM framework relating to the sales force, and regarded as fundamentally important. However, participants did not think that collaborative salesforce activities would hold out the prospect of higher gain in practice.

There was a surprising lack of agreement about product policy. With regard to channel management, which all participants considered to be very important, the only initiative thought likely to be enhanced by network collaboration was the provision of familiarisation and training programmes for customers. There was a surprisingly negative opinion of the potential for fruitful cooperation in exporting. None of the companies was in fact involved in export markets at the time of the discussions, and seemed uninterested in initiating any joint export activities in the short-term.

This pattern of responses could be thought to be fairly typical of business-to-business marketers, especially in less developed marketing environments.

Although many activities investigated by the questionnaire were seen to offer some potential gain if performed together, only two or three of the companies represented by the participants expressed active interest in any particular one. The outcome could be collective action among these two or three, but collaboration seems likely to remain the exception rather than the rule in general.

To conclude the focus-group session, participants were asked to identify and discuss the main threats to potential marketing alliances, and to suggest ways in which to reduce their effect. The findings are summarised in Table III. The sequence does not imply a perceived order of importance.

Case studies

Over a period of three years, three distinctively different firms operating in the Brazilian agribusiness market, two multinationals and one domestic company, were studied as they implemented the SMPM process fully or in part. The research aim was to use these real-time observations to test and adjust the prescriptions for collaborative action.

Table IV describes the three companies in terms of ownership, objectives, products, markets, turnover, market share and competitors. It also summarises their activities with respect to marketing intelligence, information systems, product strategy, support services, branding, promotional strategy, channel strategy, salesforce strategy, and pricing strategy.

During the period of the study, various planning initiatives were recommended to the companies. They are described in the relevant sections of the table. The final row highlights key weaknesses to be addressed by the SMPM process after the period of study.

What are the threats to joint collaborative activities?	How can they be overcome?
Different companies' internal policies	Meet frequently to ensure cohesion within the management team
Conflict of interest and a degree of competition in some product lines	Make clear where the boundaries of the joint activity lie
Need for coordination and measurement of results	Set up impartial coordinating committee Include measurements in the plan
Potential conflict between sales representatives in competitors in particular areas	Design regional programmes, setting aside areas where these problems may occur
Different size of the firms, affecting marketing budgets	Establish a scale of investment and budget separately for specific actions.
Geographical distance between firms (Brazil is a very large country)	Make use of information technology and regional offices
Threat of inside information being delivered to outsiders	Create a code of ethics
Need for short-term return	Measure results; foster planning ethos and strategic vision
Different marketing priorities	Segment activities and ensure internal flexibility among participants.

Table III.
Focus group findings

The SMPM plan

Table V describes the steps to be taken in implementing the proposed sequential planning framework. The key differences between this model and the actual situation summarised in Tables I and II are as follows:

- The structure reflects a rationale that is as demand driven as possible, given that the final consumer and the environmental scan are the starting points of the analysis.
- The plan is more comprehensive than the ten discussed in the literature review, by virtue of incorporating lessons from that review, from the focus groups and from the case study experience.
- It incorporates a strong company-network element throughout, to realise the potential of inter-firm relationships and the benefits of networking, as identified in the literature.
- Steps 1-5 set guidelines for the setting up of the plan, Step 5 in particular explaining how the objectives of the plan are to be achieved.
- Steps 6-10 use the marketing mix as an explicit framework for implementation of collaborative action – almost a philosophy, given the unsophisticated state of current practice noted in the case studies.
- Steps 11 and 12 transforms the plan into actionable projects, with explicit team responsibilities, tasks, budgets and deadlines.

Figure 2 shows the plan as a flowchart, emphasising its systematic nature and sequential structure.

Topic	Company 1	Company 2	Company 3
Period of study	2001 and 2002	2002	2000 to 2002
Ownership	Multinational	National	Multinational
Product/market	Low-volume drip-irrigation systems for farmers and agro-industries. Consumer durables (in use for at least ten years)	Corrugated paper packaging for all types of user. Non-durables (single use)	Genetics: artificial insemination of livestock. Non-durable service (single use)
Turnover in local market	US\$ 50-100 million per year	US\$ 100 million per year	US\$ 10-20 million per year
Market share (percentage)	40-50	10-20	30-40
Strategic objectives	30 per cent growth per year	Gain second position in the market by reaching at least 20 per cent of market share	At least 20 per cent profit growth per year
Competition	One other strong company and small independent companies, plus importers' agents for international manufacturers	Market dominated by three companies accounting for greater than 60 per cent of total market. Many small regional players, competing strongly on price	Other multinational companies, plus natural breeding practices. Only 5 per cent of market uses artificial insemination
Marketing intelligence	Still very preliminary; reluctant to establish information systems	From industry association	From sales management software system
Information systems	None before the plan except sales per region; has since designed MkIS, not yet implemented	None before the plan except sales per representative and region. Now has MkIS installed, with continuous after-sales feedback, and monitoring of competitive environment. Shares some research with competitors (network approach)	None before the plan except sales per representative and region. Now has MkIS installed, with continuous after-sales feedback, and monitoring of competitive environment
Product line	Perceived as best in the market, with almost no competitors (premium). Aims to introduce new lines for gardening and water treatment	One competitor has better positioning in quality and service. Aims for image differentiation through social action (sustainable development)	Perceived as best in the market. Expanding some product lines according to suggestions from advisory board created during the period of the study
Services	Very important factor in sales pitch, because of customers' very specific needs for projects, training and constant maintenance. Clients rate level of service below positioning of product	Factor in competitive advantage, mainly after-sale service. Trying out customization and cost reduction	Service level considered to match product positioning

(continued)

Table IV.

Topic	Company 1	Company 2	Company 3
Branding	Company brand, but independent outlets typically add their own branding	Company brand only	Company brand, plus provenance of "product"
Promotional strategy	No plan. Budget mostly allocated to trade exhibitions. Reluctant to engage in active communication planning	Very little activity; some promotion to buyers and limited use of social messages	Budget allocated to catalogues, sales force promotions and trade fairs
Channel strategy	Distributes through 90 independent outlets. Problems with direct sales (key accounts) and lack of support. Plan during study set up three-way classification of outlets and correspondingly different levels of marketing support. Outlet staff retrained to function as part of collaborative network	Direct channel to buyers: 68 sales reps, and key accounts. During study, thorough analysis of customers' buying decision processes was used as basis for evaluation of market segmentation strategy	Direct channel, operating with 68 sales reps, and key accounts. Started to sell via an internet and television during period of study
Salesforce strategy	Five sales regions, with regional managers and sales reps drawn mostly from the "retailers". During period of study, sales manual was developed, for sales force and regional managers	Six sales managers with teams of reps. Geographical overlapping as a result of acquisitions addressed by the new plan	Five sales regions, with regional managers and team of sales reps. Some problems of geographical coverage identified
Pricing strategy	Premium; prices depend on project specification Suggestions to have more control of costs, to nationalize some equipment and to offer financial solutions to clients via buyers of farmers' products (trading financing – network)	Programmes implemented during period of study for improving working relationships among all managers and reps Competitive parity. Discounting for new client development by "poaching" and for collective pricing initiatives	Networking initiatives started during period of study Premium, though margins eroded during period of study because of difficulties in raising prices
Main difficulties	Very centralized, decision-making process complex and slow. Level of service perceived by some customer to be inconsistent with product positioning	New commercial director and established regional managers, causing some adjustment difficulties. Strong need to change focus from sales to marketing. Geographical overlaps. Questions of motivation	CEO is foreign, but well adapted to local and company culture. Potential future problem if successor integrates less well. Collective action proving difficult to coordinate

Steps	Actions
1. Introduction	<p>Write brief history of the company and its alliances</p> <p>Check for pre-existing plans</p> <p>Verify compatibility with other operational plans: finance, human resources, production, etc.</p> <p>Identify teams that will participate in SMPM</p> <p>Study corporate culture and assess implications for implementation</p>
2. Environmental analysis	<p>Describe existing company network (Figure 1)</p> <p>Gather market intelligence from primary and secondary sources, as required</p> <p>Build general market analysis and trend analysis</p> <p>Conduct SWOT analysis</p> <p>Research and explain choice behaviour of final and intermediate consumers</p> <p>Research and explain decision-making processes at network level</p> <p>Evaluate marketing information systems</p> <p>Draw up proactive list of collective actions for gathering and using marketing intelligence</p> <p>Set budget for this phase</p>
3. Competitor and internal situation analysis	<p>Analyse competition and identify trends</p> <p>Compare strengths and weaknesses with competitors'</p> <p>Establish benchmarks; set up formal benchmarking committees</p> <p>List possible collaborative actions to counter identified weaknesses</p>
4. Objectives	<p>Define qualitative and quantitative objectives and targets, under as many category headings as necessary, for the period of the plan (normally 3-5 years)</p> <p>Calibrate objectives and targets, to permit valid post-evaluation</p>
5. Key strategies	<p>Consolidate main strategies directed at achievement of objectives, under the category headings introduced at Step 4</p> <p>Assess general scope for establishing networks and undertaking collective initiatives</p>
6. Product and services	<p>Analyse production capacity</p> <p>Assess technological capability</p> <p>Evaluate product line</p> <p>Launch new products</p> <p>Offer new services</p> <p>Make branding decisions</p> <p>Make packaging decisions</p> <p>Assess scope for partnerships, collective action and networking (bundling, joint product development, joint market development, licensing, common quality control, etc.)</p> <p>Set budget for this phase</p>
7. Communications	<p>Identify target audiences</p> <p>Set marketing communications (or "promotional") objectives</p> <p>Decide allocation of resources across marketing communications mix</p> <p>Assess scope for collaborative generic and other advertising campaigns, public relations, lobbying, joint participation in trade fairs and exhibitions, etc.</p> <p>Set budget for this phase, including elements for networked activities</p> <p>Set up evaluation procedures and allocate responsibilities for assessment of effectiveness</p>
8. Channels	<p>Analyze channels and services provided</p> <p>Develop new channels</p>

(continued)

Table V.
The SMPM plan

Steps	Actions
	Conduct asset and risk analysis Set benchmarks Conduct power and conflict analysis, for governance choices and decisions Evaluate commercial policies analysis Conduct contractual analysis Initiate new partnerships in new and existing markets Define functions and responsibilities within the channel Assess scope for collaboration in the network with respect to market segmentation, joint entry into unfamiliar markets, pre-empting of competition, economies of scale, joint ventures, franchising, etc. Set budget for this phase, including elements for networked activities
9. Sales force	Assess current size and structure Determine sales objectives Assess remuneration policy Evaluate supervision, motivation and training Assess scope for sharing sales forces, customer databases, training programmes, market analysis, and so on, across the network Set budget for this phase, including elements for networked activities
10. Pricing	Define pricing objectives Conduct demand analysis Determine production costs, for company and competitors Identify pricing model(s) in use Identify price variation Assess scope for collaborative pricing within the network, to offer price incentives, increase perceived value for money, reduce price elasticity, cut cost, etc.
11. Budgeting	Evaluate cost-effectiveness of pricing strategy Homologate proposed budgets for Steps 2, 6, 7, 8 and 9, and set overall marketing budget
12. Management	Transform plan into series of projects Allocate teams to tasks, appoint team leaders and set project deadlines Confirm budget available Set up monitoring committees, and a fixed schedule of meetings to evaluate short-term, medium-term and long-term progress towards operational, tactical and strategic objectives Monitor operating environment, revising existing projects and setting up new ones as necessary Close successfully completed projects Conduct periodic strategy reviews and disseminate findings selectively across the network

Table V.

Managerial implications, limitations and suggestions for future research

A review of the academic marketing literature shows that the conventional frameworks for marketing planning and control do not imply a collaborative network approach, but rather consider how an individual company might plan in isolation. Most furthermore adopt an operational standpoint, rather than taking the strategic view.

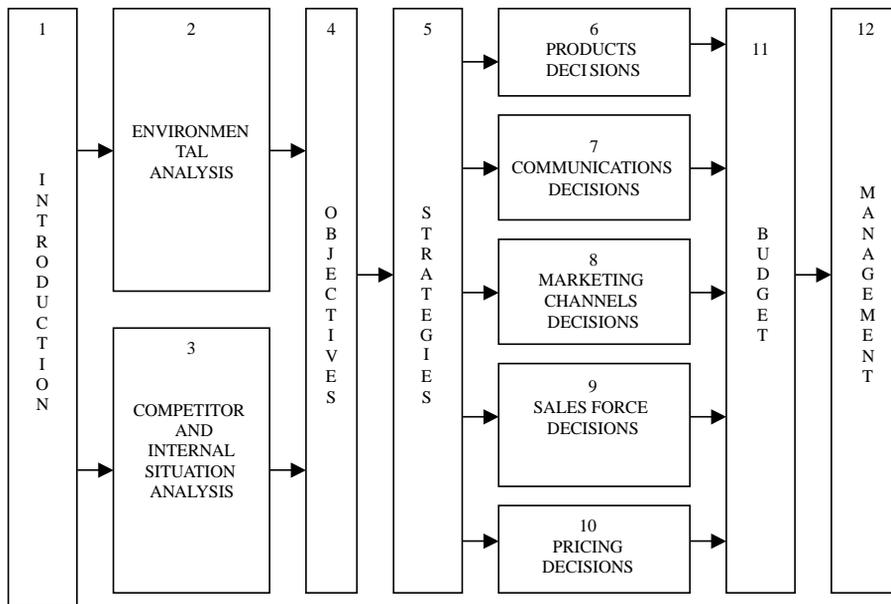


Figure 2.
The SMPM planning framework

Huge changes have taken place over the last 20 years, in markets, information technology, worldwide communication, environmental regulations, consumer behaviour, and the extent of globalisation. Long-term planning seems static as environmental change accelerates. The emergence of a more strategic approach to management has been the response of academics and practitioners, to address this issue. The new way of thinking could be summed up in just two words: demand driven. As companies specialize, there is an increase in the possibility of partnerships, alliances and collaborative actions, to pool core competences.

In this scenario, it is important that traditional approaches to the planning can adapt to the new scenario and prepare companies for sustainable growth. The major managerial implication of the study reported in this paper is to offer to marketing academics and marketing planners a new and superior framework for the marketing planning process, capable of meeting demand-driven imperative by allowing it to become more strategic, more forward focused. Given that margins have decreased in several industries, a more rational approach is equally crucial. One solution, for which several marketing activities provide excellent scope, is the collaborative approach, offering a win-win situation to the companies involved. Companies cannot allow themselves to be isolated in the new world economy, but must find their place in flexible networks.

This paper has described a systematic sequence of logical steps, comprising the SMPM framework for marketing planning, derived from the literature, the findings of three case studies and a focus-group discussion, all in the Brazilian context. This SMPM model is new in treating the company to which it is applied as part of a network

and making use of inter-firm relationships at every phase of the process. There are many opportunities for collaboration among firms that operate in the same markets as competitors or suppliers of complementary products. The implementation of the plan, the management control aspect of the model, has received special attention here. The assumption is that, once this new culture permeates the organization, then a really demand-driven, long-term plan is achievable.

The findings of this study show that many firms have a considerable desire to coordinate their marketing actions, and that many have already begun to do so, even in Brazil. The main implication for managers is that more can be done with the same marketing budgets, by applying the SMPM model.

Several limitations of the study need to be acknowledged. The companies studied number only three and do not operate in the same market. The study period covers the same three years but the periods of observation do not exactly coincide. Existing marketing plans were revised and developed at different times by different teams. The ten participants in the focus group were all drawn from the agribusiness sector, and it would be inappropriate to generalise the findings too enthusiastically. In short, the study must be treated as exploratory and the conclusions as tentative.

Suggested topics for future research are: application of the SMPM plan in practice, refinements to the structure and sequence, deeper analysis of each step, formation and formalization of collaborative actions, and management controls for successful implementation. It would be also useful to study the creation of partnerships at a more general level, particularly with regard to mutual commitment and trust.

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