

International MBA

Marketing and commercialization in international environments.

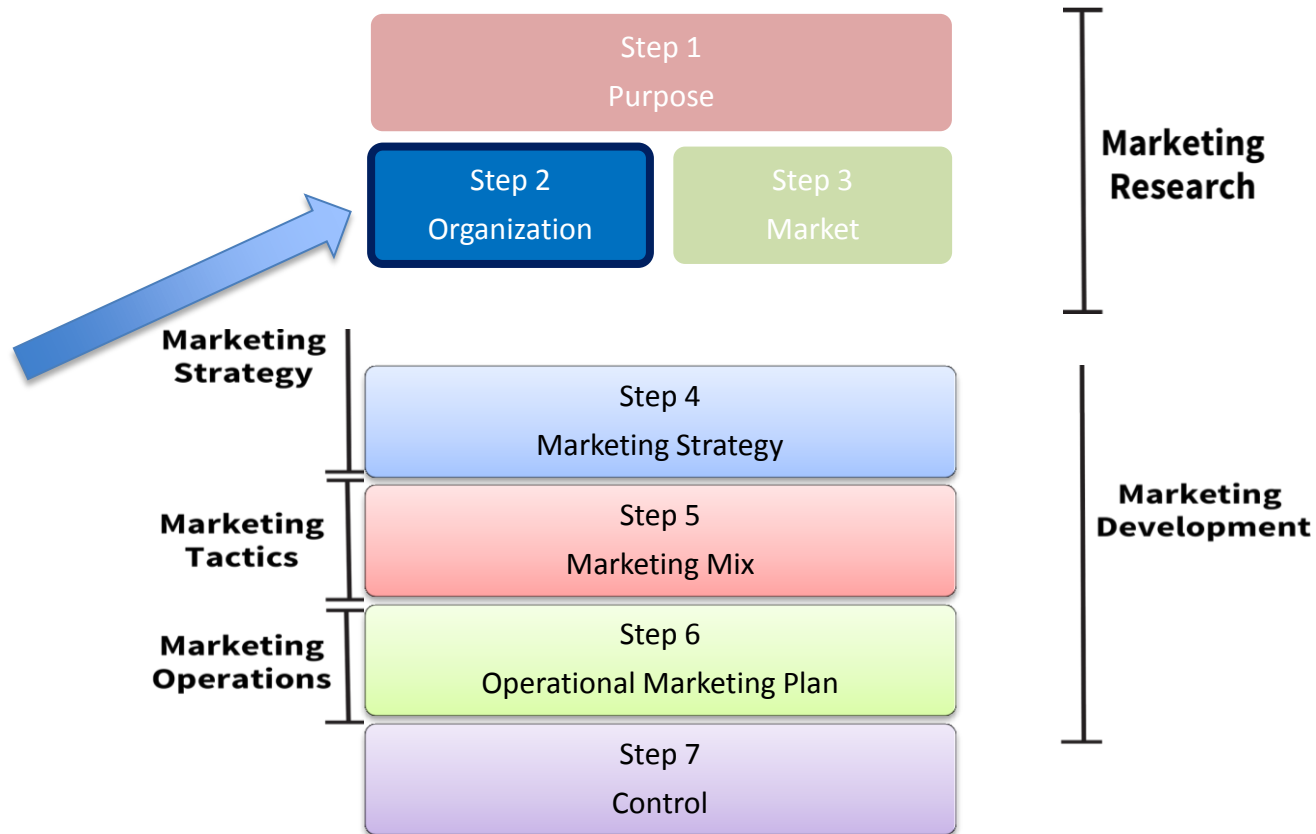
Lesson 4. Marketing Determinants Internal & External / SWOT.

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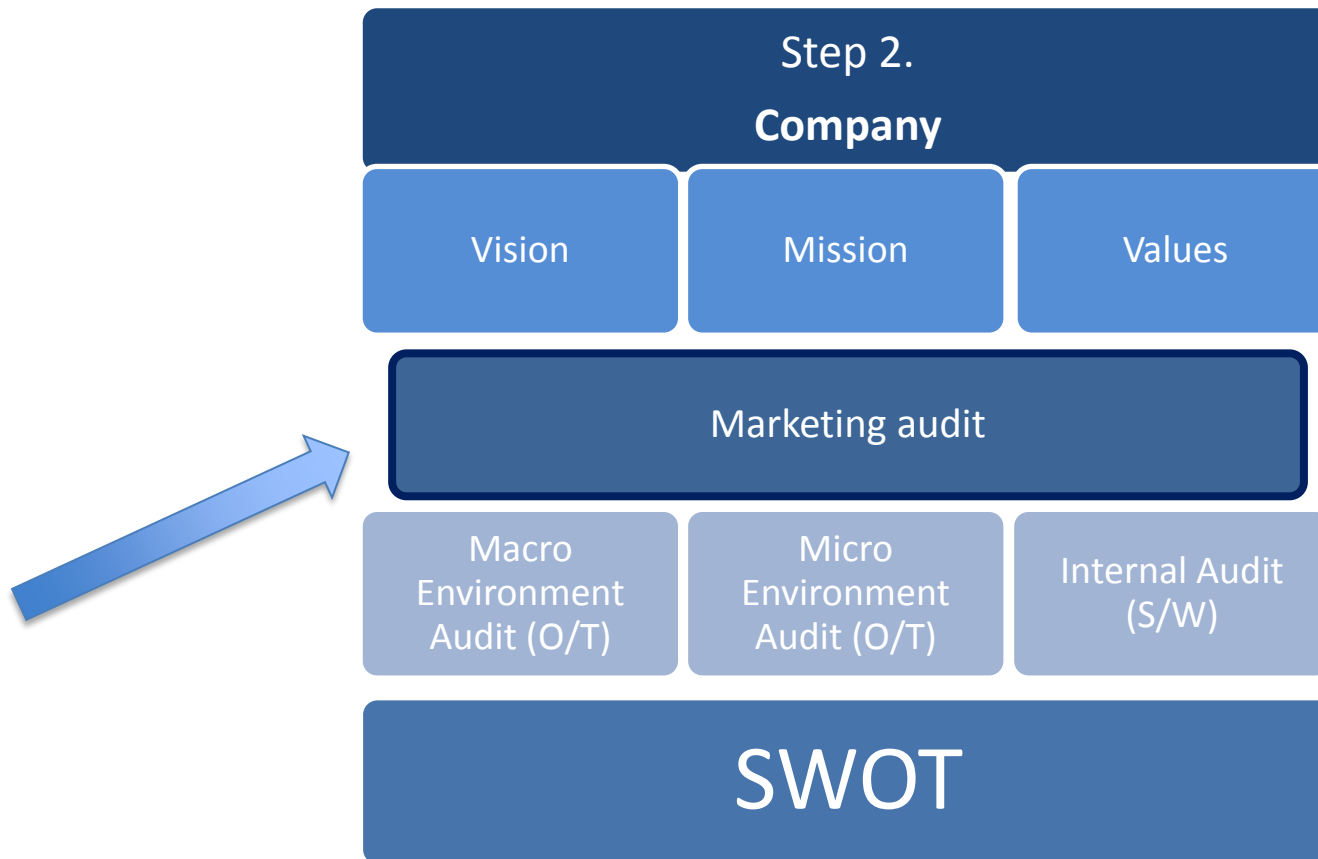
Content

1. Needs, Trends, Megatrends
2. Macro Environment Analysis (O/T)
3. Micro Environment Analysis (O/T)
4. Competitors analysis
5. Internal resources and capabilities (S/W)
6. SWOT

Marketing Planning Process



Marketing Planning Process



1. Needs, Trends, Megatrends

Megatrends in Marketing

- Changes in population structure
- Different nature of work
- Changes in economics and politics
- Generational and identity evolution
- Technology and innovation

2. Macro Environment Analysis (O/T)

PESTEL

(factors of external influence)

- political
- economic
- social
- technological
- environmental ('green')
- legal

3. Micro Environment Analysis (O/T)

What does include Analysis of Micro Environment?

Industry Analysis

- An industry is
 - a group of firms producing the same principal product or service.

Which industries to enter (or leave)?

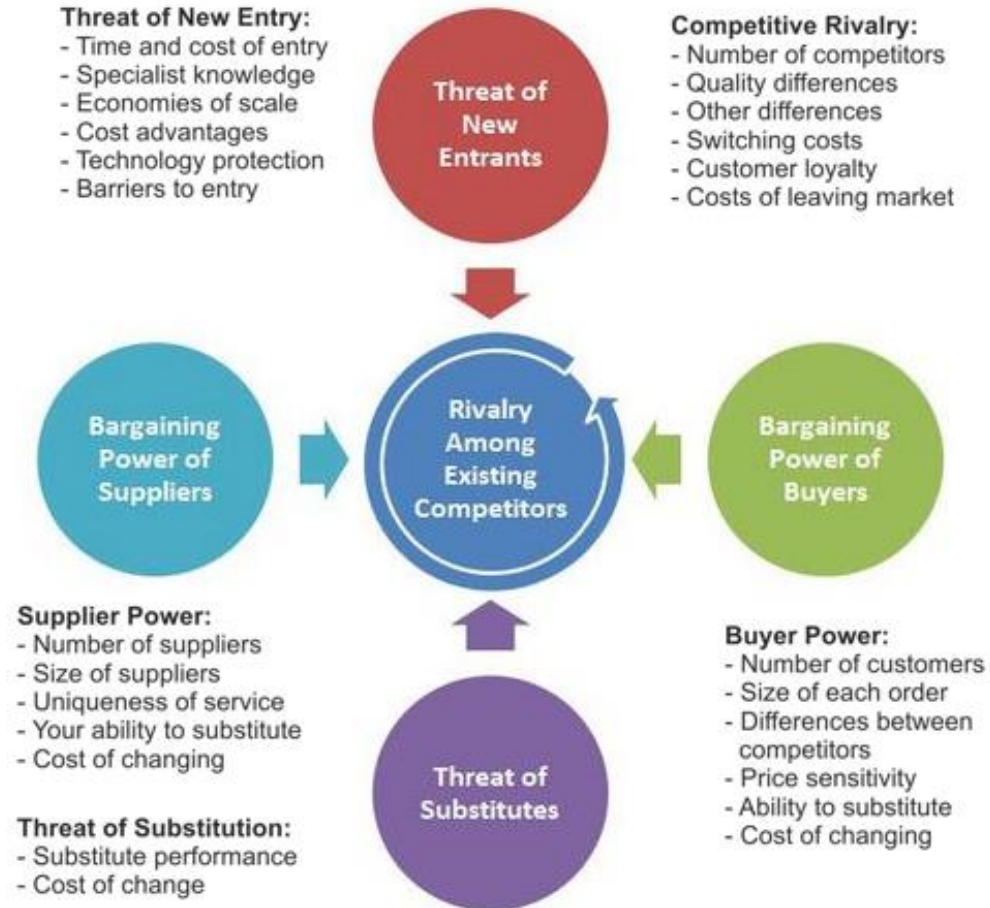
What influence can be exerted?

How are competitors differently affected?

- **Michael Porter's five forces** for industry analysis
 - helps identify the attractiveness of an industry or sector in terms of competitive forces.
- the threat of entry into an industry;
- the threat of substitutes to the industry's products or services;
- the power of buyers of the industry's products or services;
- the power of suppliers into the industry;
- the extent of rivalry between competitors in the industry

3. Micro Environment Analysis (O/T)

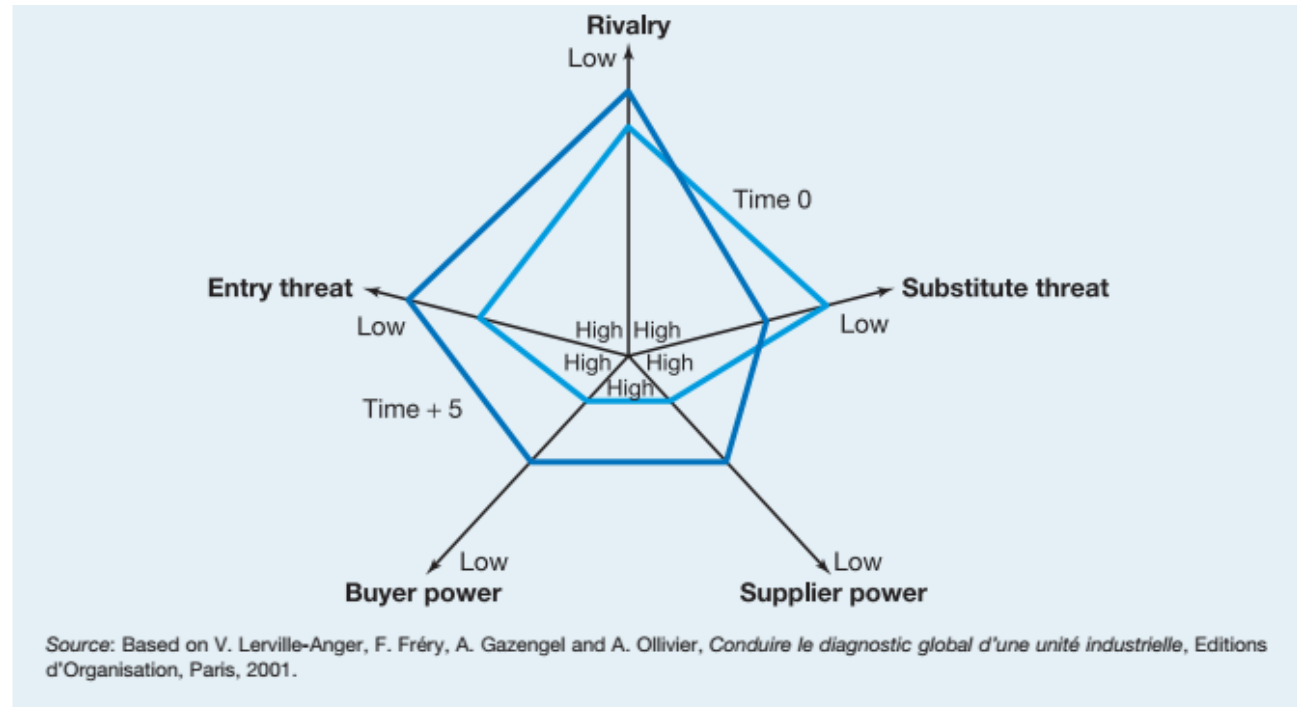
Example



3. Micro Environment Analysis (O/T)

Quantitative analysis

Comparative industry structure analysis



4. Competitors analysis

Who are our competitors?

- **Strategic groups** are
 - organizations within an industry
 - with similar strategic characteristics,
 - following similar strategies or
 - competing on similar bases.

It is useful to consider the extent to which organisations *differ* in terms of **characteristics** such as:

Scope of activities

- Extent of product (or service) diversity
- Extent of geographical coverage
- Number of market segments served
- Distribution channels used

Resource commitment

- Extent (number) of **branding**
- **Marketing effort** (e.g. advertising spread, size of salesforce)
- Extent of **vertical integration**
- Product or service **quality**
- **Technological leadership** (a leader or follower)
- **Size** of organisation

4. Competitors analysis

Why do we analyze competitors?

- Understanding competition.
- Analysis of strategic opportunities
- Analysis of mobility barriers
- Pricing strategies

5. Internal resources and capabilities (S/W)

Which resources does company has?

- Physical Resources (Things)
- Financial Resources (Money)
- Intellectual Resources (Knowledge and Information)
- Human Resources (People)

- Tangible and Intangible
- Heterogeneous and Immobile
- VRIO resources

5. Internal resources and capabilities (S/W)

What is competitive advantage?

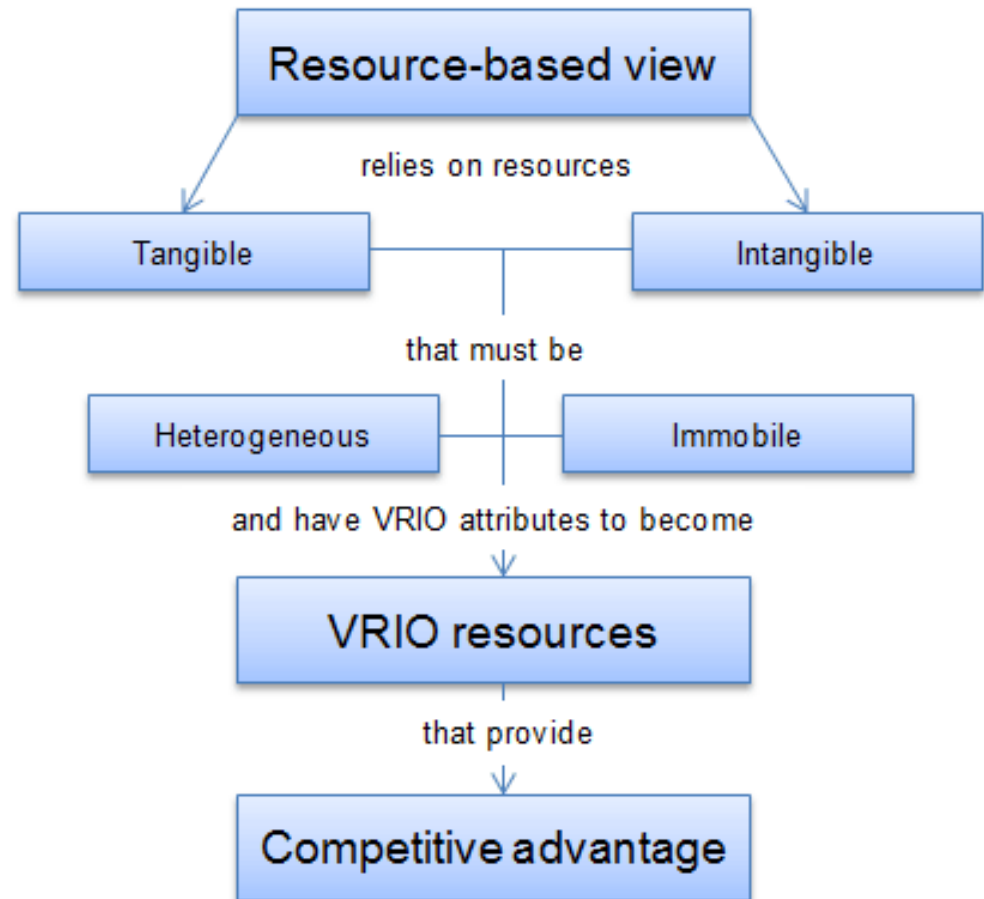
- **A competitive advantage**
 - is an advantage over competitors
 - gained by offering consumers greater value,
 - either by means of lower prices or
 - by providing greater benefits and
 - service that justifies higher prices.

5. Internal resources and capabilities (S/W)

RBV theory

Resource Base View (RBV) is an approach to achieving competitive advantage that emerged in 1980s and 1990s.

- *Wernerfelt, B. ("The Resource-Based View of the Firm")*
- *Prahalad and Hamel ("The Core Competence of The Corporation")*
- *Barney, J. ("Firm resources and sustained competitive advantage")*
- *others*

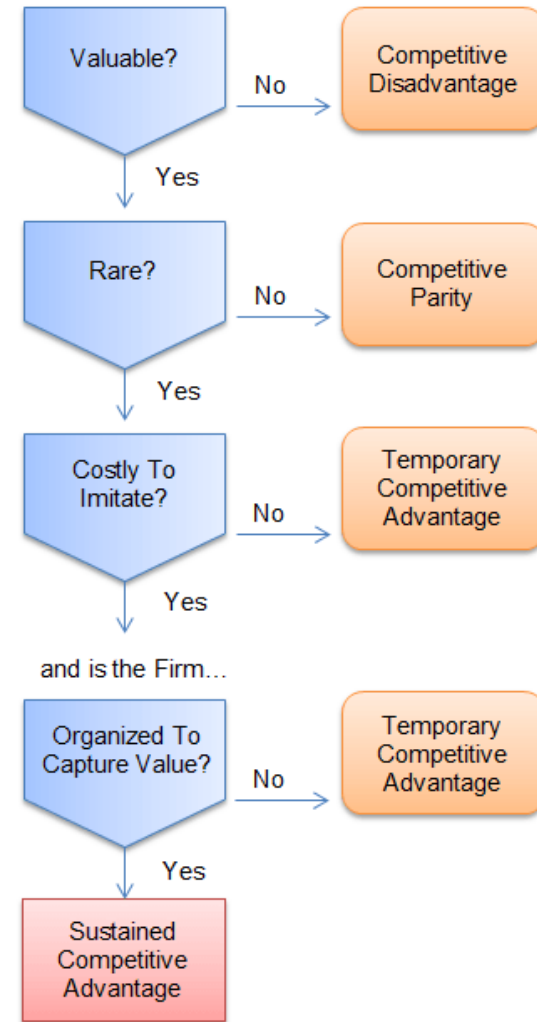


5. Internal resources and capabilities (S/W)

VRIO framework

Barney (1991)

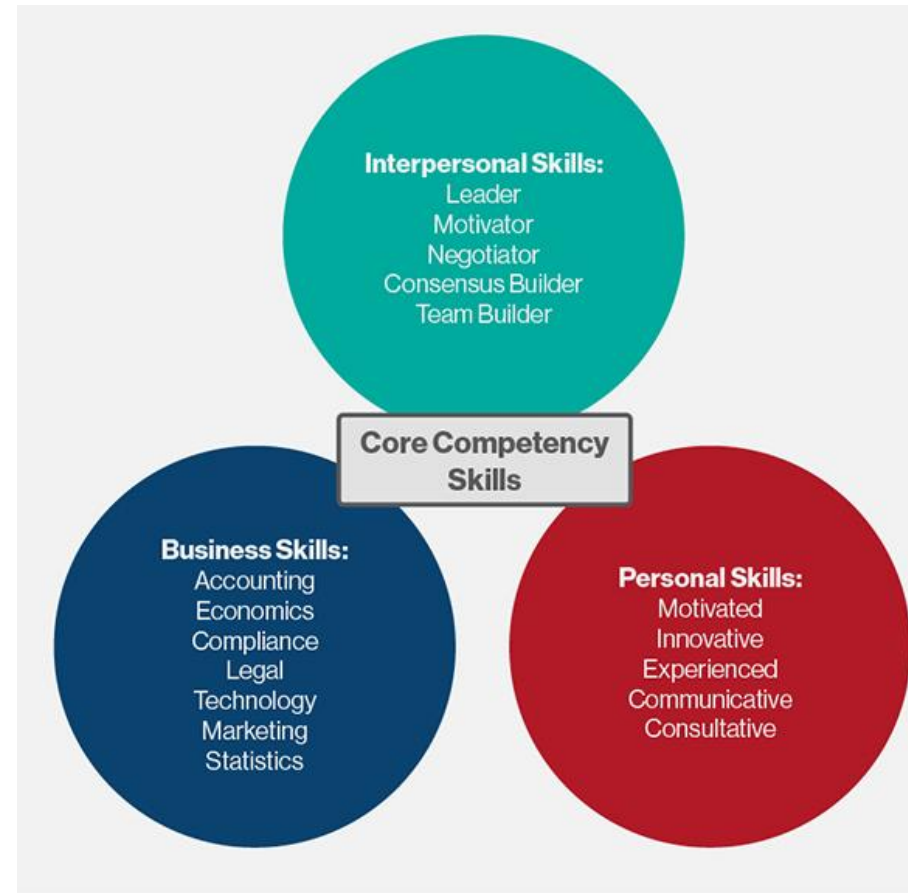
- valuable
- rare
- costly to imitate
- non-substitutable



5. Internal resources and capabilities (S/W)

What are company's competencies?

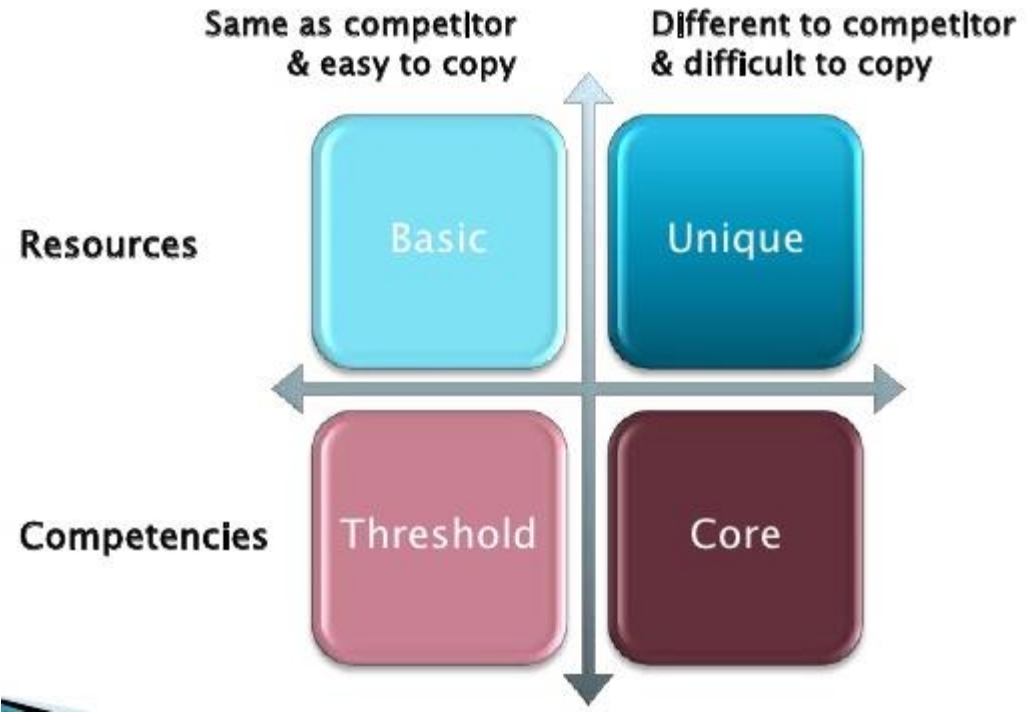
- A **core competency** is
 - a concept in management theory introduced by *C. K. Prahalad and Gary Hamel*.
- a harmonized combination of multiple resources and skills that distinguish a firm in the marketplace.



5. Internal resources and capabilities (S/W)

What are capabilities?

- **Strategic capability** is
 - the resources and competences of an organization
 - needed for it to survive and prosper.

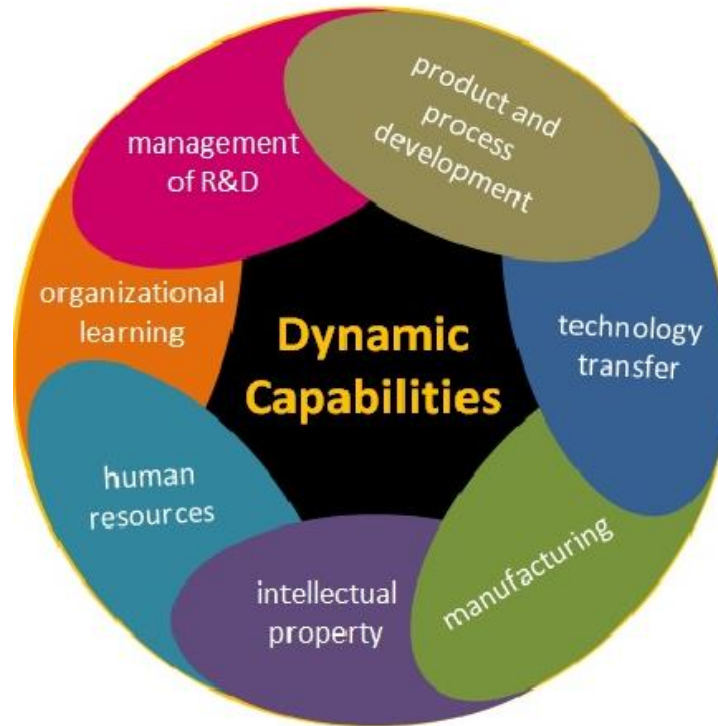


5. Internal resources and capabilities (S/W)

Dynamic Capabilities

Teece, D. J., Pisano, G., & Shuen, A. (1997). *Dynamic capabilities and strategic management. Strategic management journal, 509-533.*

Teece, D. J. (2007). *Explicating dynamic capabilities: the nature and microfoundations of (sustainable) enterprise performance. Strategic management journal, 28(13), 1319-1350.*



Dynamic capabilities can be seen as an emerging and potentially integrative approach to understanding the newer sources of competitive advantage.

SENSE



SEIZE



SHIFT



5. Internal resources and capabilities (S/W)

Why do company need to analyze internal resources and capabilities?

Strength
Weaknesses
Development
Competitive advantage
Positioning
Marketing Mix (Product, Price,
Promotion, Place)



Sustainable Competitive advantage

6. SWOT

SWOT analysis

Qualitative

Internal analysis:

- Strength
- Weaknesses

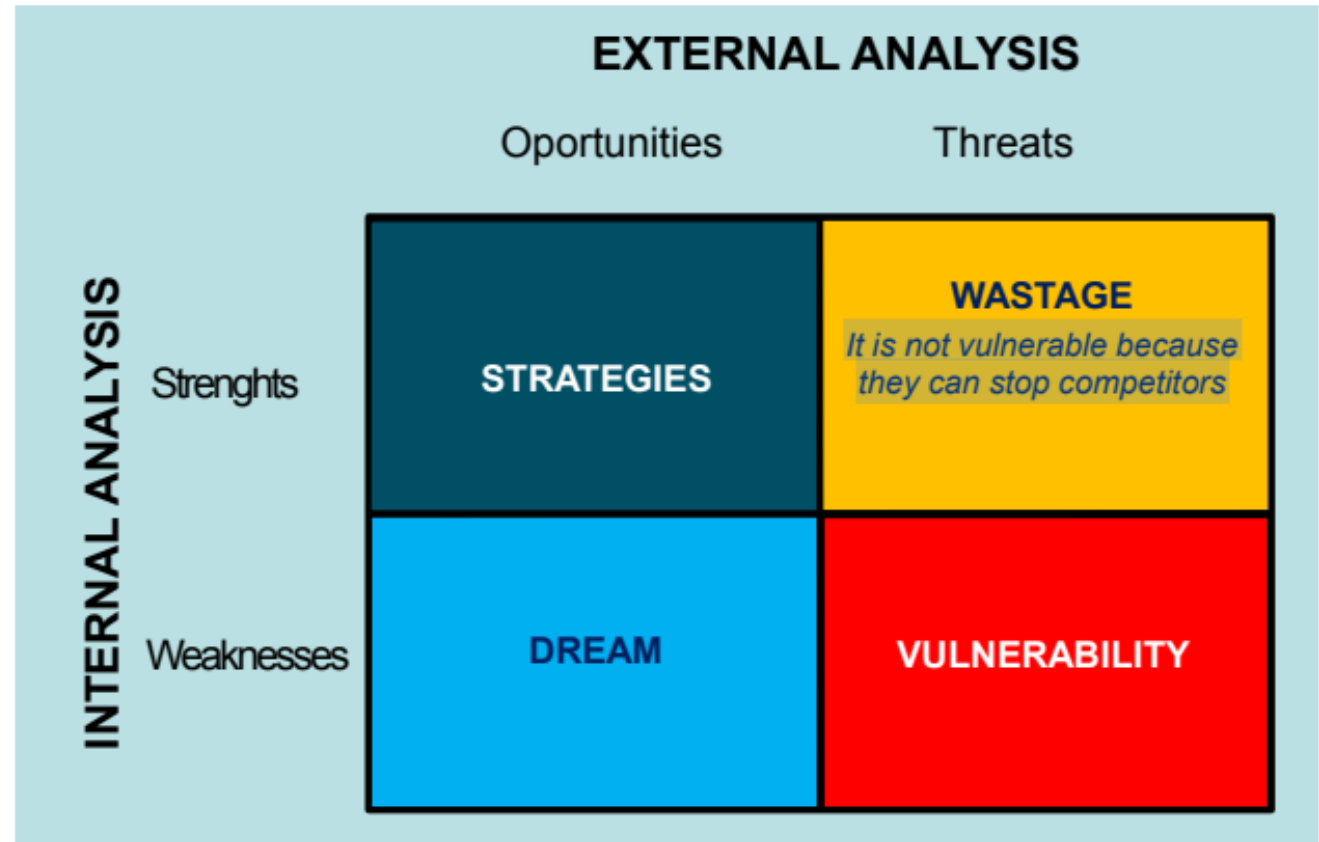
External analysis:

- Opportunities
- Threats



6. SWOT

SWOT analysis



6. SWOT

SWOT analysis

Quantitative

		Opportunities			Threats			Total
		Product	Market	Market Researchs	Recession	Large Cos.	Computer Makers	
Strengths	Experience	2						2
	People			3		3		6
	Ideas	2	2	3	2		4	13
	Integration	3	2	3	3		5	16
Weaknesses	Newness				3			3
	Development Time	2	5		4	3		14
Total		9	9	9	9	9	9	54

<https://www.slideshare.net/Srodriguezd/swot-analysis-40289710>