**Strategic planning** is the process of developing and maintaining a strategic fit between the organization’s goals and capabilities and its changing market opportunities.

4 steps in strategic planning.

1. **Defining a Market-Oriented Mission**
2. **Setting Company Objectives and Goals**
3. **Designing the Business Portfolio**
4. **Planning Marketing** and other functional strategies

A **mission statement** is a statement of the organization’s purpose – what it wants to accomplish in the larger environment.

A **business portfolio** is the collection of businesses and products that make up the company.

**Portfolio analysis** is a major activity in strategic planning whereby management evaluates the products and businesses that make up the company

**Developing Strategies for Growth and Downsizing**

**Product/market expansion grid**

1. **Market penetration** involves making more sales to current customers without changing its products.
2. **Market development** involves identifying and developing new markets for its current products.
3. **Product development** is offering modified or new products to current markets.
4. **Diversification** is where a company starts up or buys businesses outside of its current products and markets

**Downsizing** is the reduction of the business portfolio by eliminating products or business units that are not profitable or that no longer fit the company’s overall strategy

The **value chain** is the series of departments that carry out value-creating activities to design, produce, market, deliver, and support the firm’s products.

**Value delivery network** is made up of the company, suppliers, distributors, and ultimately customers who partner with each other to improve performance of the entire system

**Market segmentation** is the division of a market into distinct groups of buyers who have distinct needs, characteristics, or behavior and who might require separate products or marketing mixes

**Market targeting** is the process of evaluating each market segment’s attractiveness and selecting one or more segments to enter

The **marketing mix** (4p's) is the set of controllable, tactical marketing tools that the firm blends to produce the response it wants in the target market

**Product** means the goods-and-services combination the company offers to the target market.

**Price** is the amount of money customers pay to obtain the product.

**Place** includes company activities that make the product available to target consumers.

**Promotion** means activities that communicate the merits of the product and persuade target customers to buy it.

Four marketing management functions

1- Analysis,

2- Planning,

3- Implementation,

4- Control.

**SWOT analysis,** by which it evaluates the company’s overall strengths, weaknesses, opportunities, and threats

**Marketing planning** involves deciding on marketing strategies that will help the company attain its overall strategic objectives

**Marketing implementation** is the process that turns marketing plans into marketing actions in order to accomplish strategic marketing objectives

**Marketing control** involves evaluating the results of marketing strategies and plans and taking corrective action to ensure that objectives are attained