

**Table 2** Marketing strategy layers: customer interfacing layer and precursor to the customer interfacing layer

Strategic marketing issue	Illustrative marketing decision choices and associated marketing strategy constructs
1. How to compete?	<p><b>A. Customer Interfacing Layer</b></p> <p><i>Brand Strategy</i> Single brand strategy versus multi-brand strategy</p> <p><i>Branding Strategy</i> Introduction of a new product (entry into a new product category) with an existing brand name in the firm's brand portfolio versus with a new brand name</p> <p><i>Channel Strategy</i> Single versus multi-channel strategy Online versus online and offline</p> <p><i>Distribution (intensity) Strategy</i> Intensive versus selective versus exclusive distribution</p> <p><i>Positioning Strategy</i> Positioning of a firm's product offering relative to the positioning of its competitors' product offerings Positioning of a firm's offerings in individual market segments relative to the positioning of its offerings in the other market segments</p> <p><i>Pricing Strategy</i> Market penetration price strategy versus market skimming price strategy</p> <p><i>Product Line Strategy</i> Broad versus narrow product line</p> <p><i>Promotion Strategy</i> Predominantly <i>push strategy</i> versus predominantly <i>pull strategy</i> [Pattern of allocation of promotion effort toward advertising and consumer sales promotion (pull elements of the promotion mix) versus trade sales promotion and personal selling (push elements of the promotion mix)]</p>
2. How to compete in individual country markets?	<p><i>Multinational Marketing Strategy / Global Competitive Marketing Strategy</i> Standardization of specific competitive marketing variables (e.g. positioning, branding) across country markets versus partial standardization / partial adaptation across country markets versus adaptation to individual country markets</p>
3. Where to compete	<p><b>B. Precursor to the Customer Interfacing Layer</b></p> <p><i>Target Market Strategy</i> Market(s) to serve Market segment(s) to serve</p>
4. Where to compete and how to compete? <sup>a</sup>	<p><i>Business Scope Strategy</i> Customer groups to serve (Markets and market segments to serve) Customer functions to serve (Customer needs to satisfy) Technologies to utilize (Abell 1980) Stages of the value added system to participate in (Day 1990, p. 27)</p>
5. What is the overarching strategy?	<p><i>Product-market Coverage Strategy</i> Single product-market concentration versus market specialization versus product specialization versus selective product-market specialization versus full product-market coverage (Abell 1980)</p> <p><i>Market driving strategy</i> (shaping / influencing / modifying the market environment) versus <i>market driven strategy</i> (adaptively responding to the market environment)</p> <p><i>Primary demand stimulation strategy</i> (increasing the size of the market for a product) versus <i>selective demand stimulation strategy</i> (increasing the firm's share of the market for a product)</p>
6. When to enter a product-market?	<p><i>Order of Market Entry / Market Entry Timing Strategy</i> First-mover (market pioneering) vs. early follower vs. late entry</p> <p><i>Product Launch (Rollout) Strategy Across Country Markets</i> Simultaneous entry into major country markets (Sprinkler model) Sequential entry into major country markets (Waterfall / Cascade model)</p>

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**Table 2** (continued)

Strategic marketing issue	Illustrative marketing decision choices and associated marketing strategy constructs
4 How to enter a product-market?	<i>Market Entry Strategy</i> Internal development versus acquisition versus joint venture / strategic alliance
8 How to exit a product-market?	<i>Market Exit Strategy</i> Spin-off versus sell-off versus phase out
9 What should be the relative emphasis on alternative growth strategies?	<i>Relative Emphasis on Alternative Product-Market Growth Strategies</i> Relative emphasis on <i>market penetration strategy</i> (promoting present products in present markets), <i>market development strategy</i> (promoting present products in new markets), and <i>product development strategy</i> (developing new products for present markets) <i>Relative Emphasis on Innovation Strategies</i> Relative emphasis on radical innovations versus incremental innovations <i>Relative Emphasis on New Product Development Strategies</i> Relative emphasis on development of variety extension new products, replacement new products, competitive substitute new products, new to the firm new products, and new to the world new products. <i>Relative Emphasis on Retaining Present Customers versus Acquiring New Customers</i> Greater emphasis on retaining present customers ( <i>defensive strategy</i> ) versus greater emphasis on acquiring new customers ( <i>offensive strategy</i> ) <i>CRM Strategy</i> Relative emphasis on a portfolio of marketing programs employed for, respectively, acquiring new customers, retaining present customers, recapturing lost customers, reactivating dormant customers, enhancing the profitability and/or revenue streams of relationships with present customers, etc.

The strategic marketing issues, decision choices and associated marketing strategy constructs enumerated in the table are only *representative* and do not constitute either an extensive or a comprehensive list.

<sup>a</sup> The nature of issues pertaining to “how to compete” listed here (customer functions to serve, technologies to utilize and stages of value added to compete in) are at a higher level of aggregation compared those listed under “how to compete” in section A (i.e., under customer interfacing layer of marketing strategy).

target, pricing and positioning) may not entail expending marketing resources, acting on these decisions will necessarily entail expending marketing resources on an array of marketing activities.

*Organizational objectives* is broadly construed to encompass (1) the facilitation of the achievement of competitive positional advantage (cost and/or differentiation advantage), (2) the achievement of specific market responses from customers (e.g., affect and behavior) and competitors (including inaction or non-response), and (3) the achievement of specific marketplace performance objectives (e.g., market share, revenue, sales, sales growth, customer satisfaction, customer loyalty, and creation of market-based relational assets and intellectual assets), and financial performance objectives (e.g., profit, return on investment, market value creation). While an organization's *stock* of market-based relational assets constitutes marketing resources that are available for deployment in the marketplace, their *creation* falls within the realm of marketing strategy objectives. While an organization's marketplace related intellectual assets (i.e., market knowledge and marketing knowledge) play an important role in

making effective marketing resource deployment decisions, per se, they do not constitute marketing resources that can be deployed in the marketplace. The term *and/or* is used in the proposed definitions to signify that the scope of a specific marketing strategy can either be broad, encompassing creation, communication *and* delivery, or somewhat focused and limited. Of course, even in the latter context, the implication is commensurate behaviors with respect to other elements of marketing strategy, given the integrated, inter-dependent and multifaceted scope of the marketing strategy of an organization directed at entities in the marketplace such as customers and competitors.

### Strategic marketing: fundamental issues

Fundamental issues are issues that (1) are enduring to a field of study, (2) distinguish a field of study from related fields and contributing disciplines, and (3) are amenable to accommodating new insights and approaches. (see: Day and Montgomery 1999, p. 3)