

**INNOVATIVE STRATEGIC MARKETING PROCESS: THE LINK  
BETWEEN MISSION STATEMENT AND ORGANIZATION  
PERFORMANCE**

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**Abstract**

The importance of globalization and liberation as it concerns business organizations cannot be overemphasized. All organization whether large or small, public or private, profit or non-profit will make attempt to define their mission statement and allocate its resources to achieve their objectives. In fact, there will be hardly any organization that may have achieved success without explicitly stated strategy for its marketing areas. This paper examined the link between strategic process, mission statement and organization performance. The paper also recommended effort to improve on organization performance through effective strategy.

Today's business environment has become more complex and dynamic. For business organization to be successful in future, there is need for the company to learn to live with uncertainty posed by external environment and incorporate it within their strategic decision making process. Firms need to take advantage of opportunities and avoid treat from competing firms in adapting to

environmental changes in business environment which has given birth to strategic marketing process. The marketing chief executive has to plan well in order to match his firm's resources and skills with risk and opportunities in the market and concerned himself with the formulating and the implementation of marketing strategies. The strategic marketing process provides a total framework to guide the

members of the marketing organization in attaining its objectives, goals and mission statement.

### **Definitions of Concepts**

The term “strategy” is derived from the Greek word “strategos” which means generalship, the actual direction of militating force as distinct from the policy governing its deployment (Azhar, 2005). Therefore the word “strategy” literary means the art of the general. Marketing consists of individual and organizational activities designed to sense and serve the consumers needs and to facilitate and expedite exchange with a view to achieving the goals of the individual or organization through the satisfaction of the consumers needs. (Agbonifoh, Ogwo and Nnolim 2008)

American Marketing Association defines marketing as the performance of business activities that direct the flow of goods and services from manufacturer to consumers or users. Kotler and Zaltman coined the term social marketing which the defined as the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distributive and marketing research. Marketing could be seen as all business organizations activities directed and positioned towards satisfying customers needs and want through exchanging transaction. Strategic marketing is the way a firm effectively differentiates itself from its competitors by capitalizing on better

value to customers that its competitors (daviesbdm.com).

According to [www.businessdictionary.com](http://www.businessdictionary.com), strategic market is defined as identification of one or more sustainable competitive advantages a firm has in the marketing of its services (or intends to serve), and allocation of resources to exploit them. In every business environment there are many opportunities that a business firm can take advantage of and select the best of its resources to achieve its objective. An organization’s strategy combines all of its marketing goals into one comprehensive plan. (Wikipedia 2006). Organizations use strategic marketing to create a plan for better and satisfy customers while increasing profitability and productivity. Firms use strategic marketing to identify customers’ needs and to create a marketing plan to achieve customer satisfaction, improve company performance and increase profit. Typically an organization will create a written strategic marketing program it will use during a given time frame and how those programmes will be implemented. A specific operating plan detailing how marketing strategy is being implemented in terms of when (time), and where (location) it is to be put into action (Nwaiwu 2013). It will outline how it will engage customers, use new sales and marketing methods to grow organization market domination. Strategic marketing help a business to become more innovative and better penetrate a market. Firms will employ modern communication channel in implementing their strategic marketing plans. Various departments within a

business organization cooperate to create a strategic marketing plan. When devising a new marketing plan, a strategic chief executive will meet with employees in operations, sales and administration to create and identify marketing goals.

The planning contains sets of growth to achieve with time frame and plan to meet these goals. ([www.ingirum.co.uk](http://www.ingirum.co.uk)). Strategic marketing planning according to Lorette (2016) is the process that the operational and managerial staff of a company goes throughout to create and implement effective marketing strategies. Strategic marketing planning takes several aspects of company marketing and promotion into consideration. The aspects that contribute to strategic marketing planning including identifying, promotional opportunities, researching, analyzing, and identifying the target markets, developing a strategy, preparation and implementation of the marketing plan, and measuring and evaluating the results of the marketing efforts of the organization. Strategic marketing planning involves combining customer experiences with the overall direction the company wants and needs to take in order to succeed. For instance market segmentation plays a vital role in strategic marketing. Geographic and demographic differences in a company's target markets can affect the purchasing habit of consumers. Strategic marketing planning allows organizations to go through the process of identifying what these differences are and then adjusting marketing messages and presentation of the firm and the product and services of

the business to meet the individual needs of the different segments of the market.

Mission statement is defined as a written declaration of an organizations core purpose and focus that normally remain unchanged over time. ([www.businessdictionary.com](http://www.businessdictionary.com)) the following; serves as filters to separate what is important from what is not, clearly state which markets will be served and how and communicate a sense of intended direction to the entire organization. A mission is different from a vision in that the former is the cause and the latter is the effect, a mission is something to be accomplished whereas a vision is something to be pursued for that accomplishment. Mission state is also called company mission, corporate mission or corporate purpose. According to [www.investopedia.com](http://www.investopedia.com) (2016) a mission statement is a short sentence or paragraph used by a company to explain in simple and concise term, its purpose for being. This statement serves a dual purpose by helping employees to remain focused on the task at hand, as well as encouraging them to find innovative ways of moving towards an increasingly productive achievement of company goals. Mission statement is not static in nature rather; it can be refined to match the existing environment.

### **Development of Marketing Strategy by an Organization**

Marketing strategies serve as the fundamental underpinning of marketing plans designed to fill markets needs and reach marketing objectives. Marketing

plans and objectives are generally tested for measurable result. (Onwukwe 2016) Entrepreneur marketing strategies are developed as multi-year plan with a tactical plan detailing specific actions to be accomplished in the current year. (Nwaiwu 2013) Time horizons are becoming shorter due to the speed of change in the environment. They are partially planned and partially unplanned. (Eneremadu 2012) This is because the customers taste and preference for product/services change due to globalization which is visionary and innovative businessman should be aware of.

According to Raymond (2003), developing marketing strategy by organization involves careful scanning of the internal and external environment of business. Internal environment factors include the marketing mix (4ps of marketing-product, price, place, and promotion). Performance analysis and strategic constraints, external factors include customer analysis, competitor analysis large market analysis as well as evaluation of any element of the technological, economic, cultural and political/legal environment likely to impact on success or failure of organization. A key component of marketing strategy is often to keep marketing in line with the organizations overarching mission and vision statements. (Nwaiwu 2014)

However, after thorough environment scan is completed, a strategic plan can be constructed to identify business alternatives, establish challenging goal, determine the optimal marketing mix

to attain these goals and detail implementation. The final step in developing a marketing strategy is to create a plan to monitor the progress and a set of contingencies if problems arise in the implementation of the plan.

### **Types of Marketing Strategies**

Marketing strategy may differ depending on the unique situation off the individual business organization. Below is a brief description of the most common categorizing strategic marketing ([www.en.m.wikipedia](http://www.en.m.wikipedia))

- Strategies based on market dominance in the type, firms are classified based on their market share or dominance of an industry. We have four types of market dominance strategies header, challenger, follower or nicher.
- Entrant strategies: According to Liberman and Montgorinery, every entrant into a market, whether it is new or not is classified under a, market pioneer, follower or a late follower.
- Raymond Miles strategy categories in 2003, Raymond miles proposed a more detailed scheme using the categories. Prospector, Analyzer, defender and Reactor.

### **Strategic Marketing Planning/Process: links between Mission Statement and Firm's Performance.**

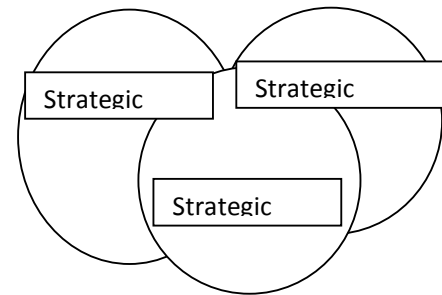
Strategic decision revolves around a firm's effectiveness and it helps a firm to keep its business alive of effectiveness helps a firm to differentiate between thriving, surviving and dead product/service. Strategic decision

contributes towards the long-term viability of a business. Most business organizations today focus more on efficiency and less effectiveness. Efficiency falls within the short term or operational decision that concern with productivity. (Musadiq 2001) While commenting on the scope of strategic decision, Kax (1987) states that such decision are concerned with the following;

- The scope of an organizations activities
- The matching of an organizations activities to its environment
- The matching of an organizations activities to its resource capability
- The allocation and reallocations of major resources in an organization
- The value, expectations and goals of those influencing strategy.
- The direction in which an organization that will move in the long term and
- Implications or change throughout the organization.

The entire marketing strategic process leads to the formulation and implementation of a firm's marketing strategy. Strategic marketing process consists of two phases—strategy formulation and strategy implementation and has (3) major components they are:

- Strategic direction
- Strategic information and
- Strategic Decision (Musadiq 2001).



**Figure 1:1- The Marketing Strategy Process**

**Source:** Musadiq, A.S (2009:30).strategic marketing making decision for strategic advantage.

1. **Strategic Direction:** The strategic direction determines the movement of an organization in terms of growth and prosperity. The strategic direction process begins with organizational rationale which explains the reason for the existence of an organization. In fact, it portrays the role that a society expects from an organization for its welfare. After the organization rationale comes firms' mission statement which explains the path a firm selects to pursue in order to achieve its purpose of existence. Mission statement defines the current and future of a company and should include broad description of market, good/service, client needs and geographical coverage of the business. More importantly conveys the following- the firms' name, primary purpose, primary functions or activities and target market. (Musadiq 2001)

The study of mission statement can help an organization to answer the following question according to (Berry 2016),

- What is your company?
- What do you do?
- What do you stand for and why do you do it?
- Do you want to make profit or is it enough to make a living?
- What markets are you serving and what benefits do you offer them?
- Do you solve a problem for your customers?
- What kind of internal work environment do you want for your employees?

Mission is a cornerstone for a firm's marketing strategy and provides thrust and direction to the organization, therefore such a statement should be formulated only after taking into consideration of the following

- Firm's marketing environment
- Firms internal resources and competitive advantage and
- Needs and expectation of the firms target market.

Rationale and mission allow and require the setting of marketing goals. A goal is a desired future state a firm intends to achieve. They include the statement describing the desired performance level in specific term. (Alugbuo 2004) The decision regarding the formation of objectives involves the specification of future performance in terms of one or more measures. For instance, such measures can be sales volume, market share, distribution coverage and

promotional effectiveness. Marketing objective serves as reference point for every marketer and guide routine marketing activities of an organization. Therefore, management should set objectives for all such areas of marketing that affect the success of a firm. However, these objectives need to be within the scope of mission statement. Most often the objectives are of long-term by the way of short term too. To be meaningful, such objective must meet the following criteria; Measurable, time frame, specific and attainable

2. **Strategic Information:** This process is concerned with the collection and analysis of information about the marketing environment in which a firm intends to operate. Information collected from internal, external environment and at all levels of strategic direction components are considered. This will help the manager to answer the following questions;

- Where have we been?
- Where are we now?

Scanning the environment will help the marketing executives to identify major opportunities and threats. It is important for marketing executive to understand the relationship between the firm's past and present performance (Musadiq 2001), with opportunities and threat (external environment), marketing executive needs to study the internal strengths and weaknesses of the organization in terms of all major capabilities and resources for which he has to find replies to the above mentioned questions by examining the firm's internal environment. Thus, strategic information enables a marketer to

match organizational strengths and weaknesses with environmental opportunities and threat to determine the organization's right niche. This process is called strength, weaknesses, opportunities and threats (SWOT) analysis.

**Strength:** An internal capability in terms of resources or skills that provides a firm a chance to take advantage of opportunities and at the same time helps it to overcome threats and weaknesses.

**Weakness:** A firm's deficiency in terms of resources or skills that act as hindrance for firm to achieve its objective.

**Opportunity:** A situation created by external environment that provides a firm a chance to improve its positions significantly.

**Threats:** An internal or external environment that might inhibit the organization from achieving its objectives or attaining expected performance, which includes actions of competitors and shifts in customers' values or demand. (Alugbuo 2004)

SWOT analysis involves reviewing of a firm's environment to enable the firm to exploit future opportunities while avoiding threats and at the same time matching its distinctive competencies and strength in formulating or revising its strategies.

3. **Strategic Decision:** The strategic decision process involves four major steps: alternative development strategic choice, strategic implementation and strategic control. In the first instance the strategic decision process assist the marketer in

establishing different alternative by answering the following questions:

- Where do we want to go?
- Where should we go?
- Where can we go?

These questions will enable the marketing executives to specify the means by which his mission and objectives can be accomplished. Alternative development aims to identify the possible courses of action that will enable the firm accomplish its objectives. Strategic choice is a situation where a manager decides which one(s) a firm shall pursue in order to accomplish its rationale, mission and objectives.

**Strategic Implementation:** The selection of an appropriate strategy cannot achieve the purpose of strategic process unless the strategy is converted into concrete action and results. There must be a translation of strategic thought into strategic action. Strategic implementation is the decision process step that commits resources to strategic choice. It is an operationally oriented process that covers the entire range of managerial activities required to use the firm's resource in pursuit of the chosen strategy. There are four key ingredients in successful implementation proper organizational structure suitable in arrangement system, leadership style and astute management of organizational culture.

**Strategic control** calls for the measurement of a firm's performance and the comparison of the same with the standards. The performance of a firm can be measured in terms of either financial (return on investment, or shareholders

wealth creation) or marketing measures (market share or customer satisfaction). However, firms find that the actual result do not match exactly what they anticipated. In a situation like this firms need not only to measure the deviation between actual and planned but to find the reasons for the deviations. Thus, an effective strategic control consists of the following steps; setting of strategy, intended outcome, measurement of actual performance, comparison between actual results and intended outcome, identification and analysis of the deviation (if any) and taking corrective actions to respond to the deviation.

### **Conclusion and Recommendation**

Mission statement of any organization declares the core purpose and focus of the firm in achieving its objective. This gives room for proper planning process and establishment and development of marketing strategies to enhance the organizational performance, which could be inform of financial or market share/customer satisfaction, in other words, there is a link with mission statement, strategic planning process and organizational performance. Mission statement is the beginning of organizational activities and should be clearly stated and formulation of strategies should involve all the functional units in the organization. Management should set objective for all such areas of marketing that affect the success of a firm performance. Management must use subjective judgments wherever it fails to base marketing objectives on

measurability time frame, specific and attainable criteria.

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