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The Role of Marketing Managers in Strategy Formulation in B2C Companies in South Africa

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration (MBA).

Johannesburg, June 2012

ABSTRACT

The purpose of this research was to investigate the roles and responsibilities of marketing managers in Business to Consumer (B2C) organisations in South Africa. Then to determine the strategy formulation process that they use, understand which of the marketing roles overlap with the strategy formulation process and which in turn determine the effect that marketing managers have on strategy formulation. The results of the research are intended to assist marketing managers to determine the potential scope of their role and how they can influence strategy formulation in their organisations.

The literature review explains that marketing is a difficult concept to define and the scope may vary. The roles and responsibilities of marketing managers are identified from different literature sources and categorised. Strategy is defined and the strategy formulation process is presented in the literature review. The proposed roles and responsibilities of marketing managers are presented as well as the areas where marketing will most affect strategy formulation.

Seventeen in-depth face-to-face interviews were conducted with the most senior marketing employee. For the purpose of this research, the most senior marketing employee will be referred to as the marketing manager regardless of designation. The data was analysed using the summative approach to data reduction as this was seen as the best way to test the propositions.

The research found that the responsibilities of marketing managers are segmented into roles that are owned by marketing, or roles that are key but not owned. Marketing can have an instrumental part to play, marketing can have a supportive role, marketing can have a consultative role, marketing can have different levels of influence or marketing can have no role to play in each responsibility along the strategy formulation process.

All marketing managers have some leadership, strategy, branding, advertising and customer related roles. Most marketing managers have full promotional management responsibility and manage contemporary issues and trends. Very few marketing managers are involved in pricing and distribution. Marketing managers have the biggest effect on the strategy formulation process in strategy implementation. Strategic frameworks present the biggest opportunities for marketing managers to increase their involvement in the strategy formulation process.

In order for marketing managers to increase their authority and influence in the company, they must increase the scope of responsibilities in the marketing department, improve measurements and analytics, fully understand and react to contemporary issues and increase their involvement in the strategy formulation process.

DECLARATION

I, Marc Gregory Hurwitz declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Marc Gregory Hurwitz

Signed at ……

On the …….. day of …… 2012

DEDICATION

This research report, my MBA and all my achievements are dedicated to my loving parents that have pushed me, throughout my life, to achieve more than I ever imagined possible.

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- My supervisor, Mark Peters, for his time, guidance, patience, insight and assistance throughout the research process,
- To all of the interviewees who took time out of their schedules to participate in the research,
- My family and friends that have been so understanding and supportive throughout the MBA Programme,
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CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

The purpose of this research is to understand which of the roles of marketing managers form part of the strategy formulation process in Business to Consumer (B2C) organisations in South Africa. Secondly, to understand to what extent these roles affect strategy formulation and the perceived importance of the identified roles by marketing managers.

1.2 Context of the study

In the modern era of business engagement, marketing has been used to define the entire company (French, Laura LaBerge and Magill, 2011). The concept of 'pan-company marketing' explains that the role of marketing in modern business has become the responsibility of all employees throughout the entire organisation (McKechnie, 2001). This then leads to the question on what is the role of the marketing department and that of the contemporary marketing manager who leads the department.

Marketing is a difficult concept to define and the definitions needs to be updated regularly (Kotler and Keller, 2009). The term Marketing can mean different things to different organisations. The concept of marketing has evolved drastically. Kotler and Keller (2009) list three different definitions for marketing and the American Marketing Association list two.

The marketing manager should understand the particular industry better than anyone in the organisation due to the market and marketing research conducted within the organisation (Cowan, 1993). Since response to the industry forms the cornerstone of strategic planning and strategy formulation, (Porter, 2000) the marketing manager should be taking part in the process of formulating strategies in the organisation. This research focuses on determining what impact marketing managers have and should have on the strategy formulation process within B2C organisations in South Africa.

1.3 Problem Statement

1.3.1 Main problem

Investigate the involvement that marketing managers have in the strategy formulation process in B2C organisations in South Africa.

1.3.2 Sub-problems

- The first sub-problem is to determine the different roles and responsibilities that marketing managers perform in B2C organisations in South Africa.
- The second sub-problem is to determine which areas of strategy formulation are impacted by the identified marketing roles of marketing managers, and to what extent, in B2C organisations in South Africa.

1.4 Significance of the study

The study fills a gap that there is currently little research in South Africa that guides marketing managers in their role of developing business and corporate strategies. This study is a guide for marketing managers to understand what their portfolio of responsibilities could include and the importance of each. Traditional marketing elements are being used to formulate business strategies but it is unclear as to the involvement of the Marketing manager in the actual strategy formulation process. It has been established by Grant (1996) that marketing needs to contribute to the overall business effectiveness,

"An effective marketing effort is based upon information, which can be used in terms of developing sound business strategies, increase your return-on-investment, allow for more successful innovation, lead to better branding efforts, increase the effectiveness of your promotional efforts and strengthen your web marketing efforts" (Leventhal, 2005, p.3).

In addition the study indicates to executive management the extent to which marketing managers could add strategic direction and value to the organisation.

1.5 Delimitations of the study

This research looks only at those organisations that operate within a business to consumer environment (B2C), which excludes business to business organisations (B2B). This research includes only large South African organisations and thereby excludes organisations outside of South Africa as well as all small and medium sized organisations within South Africa. This study focuses on the responsibilities of marketing managers at the highest level of the organisation and will exclude the responsibilities of the other employees within the marketing department and the employees of the other functional areas for example the human resources, finance, information technology and operations functions.

1.6 Definition of terms

Marketing - marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders (Keefe, 2004), (American Marketing Association), (Aaker, 2008)

Strategy formation - within a firm is mostly about changing perspectives and/or competitive positions (Mintzberg, Ahlstrand and Lampel, 1999).

1.7 Assumptions

a) The sample has the required knowledge on the subjects of marketing, strategy formulation and leadership in order to give valuable information in an interview situation/context,

b) the number of respondents will be sufficient to gain adequate data,

c) and that job role information will be conveyed honestly and truthfully by respondents.

CHAPTER 2: LITERATURE REVIEW

2.1. Introduction

This section contains a literature review on the key themes of relevance to the study. The background discussion defines marketing, briefly examines the history of marketing, defines strategy formulation and briefly examines the history of strategy formulation. The roles and responsibilities of marketing managers follow. The strategy formulation process is then explained. The discussion of the marketing roles within the strategy formulation process follows in the conclusion.

2.2. Background Discussion

2.2.1. What is marketing?

Marketing can be defined in many different ways and according popular marketing authors Kotler and Keller (2009) the definition should be updated regularly. The most basic definition of marketing used by Kotler and Keller (2009) is that marketing is about identifying and meeting human and social needs. Currently, the most popular definition is that being used by the American Marketing Association which states that:

> 'marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders' (Keefe, 2004).

A more involved definition listed by Kotler and Keller (2009) is that 'marketing management is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value.'

Along with business in general, marketing has gone through many changes over the years. The classical marketing perspective is the marketing mix. This consists of the"4 p's of marketing" namely Product, Price, Place and Promotion (Van Waterschoot and Van den Bulte, 1992). The marketing mix has been the dominant marketing paradigm since the

1950's (Grönroos, 1994) and is still seen as the traditional understanding of what a marketing department is and does within a company. Many believe that this has a very limited view of marketing. Subsequently, others like Goi (2009) and Constantinides (2006) have added to and adjusted the marketing mix model. A popular concept that compliments the marketing mix is the "3 Cs" namely customers, competitors and the corporation (Ohmae, 1982).

There have been many trends in marketing (Constantinides, 2006) since Neil Borden created the marketing mix (Borden, 1964). Some of the trends that are still relevant in marketing today include 'integrated marketing communication' first seen in the 1980's (Kitchen and Burgmann, 2004), 'relationship marketing' from the 1990's, information and communication technologies (ICTs) (Constantinides, 2006), marketing research, marketing analysis (Webster, 2005), marketing education (McKechnie, 2001), global marketing (Viswanathan and Dickson, 2007), stakeholder marketing (Lawrence and Bhattacharya, 2009) and digital marketing (Edelman, 2010) all from the 2000's.

The makeup, focus and philosophies of a marketing department are heavily influenced by the company's orientation towards the marketplace. The following concepts guide the orientation (Kotler and Keller, 2009):

- **The production concept** defined by high production efficiency, low costs and mass distribution
- **The product concept** defined by high product performance, quality or product innovation
- **The selling concept** defined by aggressive selling and promotion
- **The marketing concept** defined by a customer-centred approach
- **The Holistic Marketing concept** defined by having a complete and cohesive approach where all activities of the organisation matter.

Each organisation will have a unique view on the marketing mix and market orientation and will focus on different marketing trends mentioned above to create its own unique mix of marketing roles and responsibilities.

2.2.2. What is strategy formulation?

Strategy is a difficult concept to define but has been done so in many different ways by different academics (Mintzberg et al., 1999). Porter (1996) explains what he believes constitutes what strategy entails as well as what strategy is not but he does not settle on an exact definition. Mintzberg (1978) states that by using the definition 'a pattern in a stream of decisions', strategy formulation can be researched in a broad descriptive context which will work well for the purpose of this research.

A distinction needs to be made between corporate strategy that defines which industries the business will compete in and business level strategy which is fundamentally concerned with how the business will compete in the market place (Hax and Majluf, 1988) (Porter, 1988). Chaffee (1985) categorises strategy into three models namely: 'linear strategy, adaptive strategy or interpretive strategy'. Mintzberg et al. (1999) further states that due to the complicated and varied nature of strategy formulation, it is necessary to categorise strategy formulation into ten approaches namely:

- **The Design School** defines strategy formulation as a process of conception where fit is sought between internal capabilities and external possibilities.
- **The Planning School** defines strategy formulation as a formal process.
- **The Positioning School** defines strategy formulation as an Analytical Process.
- **The Entrepreneurial School** defines strategy formulation as a visionary process.
- **The Cognitive School** defines strategy formulation as a mental process.
- **The Learning School** defines strategy formulation as an emergent process.
- **The Power School** defines strategy formulation as a Process of Negotiation.
- **The Cultural School** defines strategy formulation as a collective process.
- **The Environmental School** defines strategy formulation as a reactive process.
- **The Configuration School** defines strategy formulation as a process of transformation.

This focus on paradigms of strategy has evolved exponentially since the 1950's where financial budgeting was the only strategy in business. The 1960's focused on corporate planning. Competitive positioning was introduced to planning in the 1970's and this led to the competitive advantage approach of the 1990's. Innovation, business modelling and creation of disruptive technologies dominated strategic thinking in the 2000's (Grant, 2009). Some of the current trends in strategy include globalisation (Ghemawat, 2005), strategic leadership (Gavetti, 2011), growth in developing economies (Prahalad, 2006), Scenario planning (Schoemaker, 1995) and shared value (Porter and Kramer, 2011).

2.3. The Roles and Responsibilities of Marketing Managers

The marketing function includes different roles and responsibilities in different organisations which are made up of a variety of tasks. The performance and success of these roles, responsibilities and tasks will lie with the manager of the marketing department. The person in charge of the marketing function can be referred to as a Marketing Manager, Marketing Director, Vice President (VP) of marketing, Chief Marketing Executive (CME) or the Chief Marketing Officer (CMO). For the purpose of this research, all of these designations will be referred to as a marketing manager. The make-up of the marketing department will be determined by the structure of the organisation (Ruekert, Walker Jr and Roering, 1985). This section will explain the different roles, responsibilities and tasks that marketing managers perform.

2.3.1 The Marketing Manager

Marketing managers generally possess marketing and leadership skills (Melaia, Abratt and Bick, 2008) as they are fully responsible for leading the organisations marketing efforts (Nath and Mahajan, 2008). The marketing manager needs to control all of the marketing undertakings of the organisation and essentially become the CEO (chief executive officer) of the marketing business function (Asperger, Boza, Isner, Lampert, O'Horo and Rubenstein, 2002).

2.3.2 Identification of Marketing Roles, Responsibilities and Tasks

Piercy (1986) surveyed 336 medium size organisations, with and without marketing managers in the United Kingdom, to determine if marketing roles were being managed by a marketing manager by another department or not at all. The categories of marketing functions used were sales, distribution, customer service, trade marketing, advertising, exporting, marketing research, product management and marketing services. The extended roles within each of these functions include staffing, training, planning, new product development, sales forecasting, pricing, packaging, field sales, discounting, product design, distributor negotiations, warehousing, transport, strategic planning, research and development, diversification studies and investment appraisal.

Tansuhaj et al (1988) explain that marketing roles and focus of the marketing manager are different in service-based industries. In these organisations, marketing is split between internal marketing and external marketing. The marketing manager's responsibilities in internal marketing include the traditional Human Resources responsibilities of recruitment, training, motivation, communication and retention, all of which affect the employee behaviour (work effort and job performance). The marketing manager's responsibilities in external marketing include pricing, advertising, personal selling, institutional image, quality control and the marketing orientation which all affect the customer attitude (loyalty, perception and satisfaction).

Kotler and Andreasen (1991) describe the role of the marketing manager within a non-profit organisation (NPO). In these organisations, the marketing roles fall into one of the following categories: developing the customer orientation, strategic planning, organising resources, designing the marketing mix and control the marketing strategies.

Cowan (1993) conducted research to determine the level of understanding within marketing research. In order to do this, he had to segment different areas of marketing strategies researched. The functions of marketing that were identified are advertising, consumer promotion, design, packaging, sponsorship, PR, direct mail and trade promotion. The focus of marketing research within each of these areas is mainly concerned with the strategies of allocating resources.

Moorman and Rust (1999) conducted research into what role marketing plays within the organisation. They found that the main role is to manage the market orientation which also contributes to the customer's perception of the financial performance, customer relationship performance and new product performance. Marketing has an influence on these perceptions by managing customer service, customer relationships and retention, advertising, product design and the marketing mix.

Product differentiation is a key strategy in creating barriers to competition. This is an important concept of marketing management (Stoelhorst and Van Raaij, 2004). Carpenter et al (1988) explains how asymmetric competition is created through branding and management of the marketing mix. Jones (1999) explains that the best way to build a brand is with effective advertising. The best way to link a customer to the organisations goals is by using the integrated marketing communication (IMC) approach (Stuart, 2010).

Levitt (2004) explains that marketing managers must concentrate on meeting customer's needs rather than selling products. In order to truly understand customers and their needs, marketing managers must adopt a market segmentation approach (Dibb, Stern and Wensley, 2002), which will lead to organisations better understanding their customers, tailoring products and services towards targeted customers and ultimately increasing sales in the targeted customer segments.

2.3.3 Marketing Categories

The marketing roles and responsibilities identified by the literature can be grouped together into different categories by using the traditional marketing mix principles. The literature shows the relevance of the marketing mix principles in contemporary marketing classification. The marketing manager's primary responsibilities are therefore to implement the marketing mix (4Ps and 3 Cs), growth of the market orientation of the organisation, to develop marketing strategies, lead the marketing department and handle any issues and trends that arise (Hunt, 1976) (Kotler and Andreasen, 1991), (Moorman and Rust, 1999), (Kotler and Keller, 2009).

2.3.3.1 The Marketing Mix

2.3.3.1.1 Product Management

New product development management is mentioned by Piercy (1986) as a marketing task. Moorman and Rust (1999) place extra importance on new product development as a marketing role. Quality control is mentioned by Tansuhaj et al. (1988) as an important task in developing a service-based product. Product design is mentioned by both Piercy (1986) and Moorman and Rust (1999). Product differentiation is listed as a key strategy by Stoelhorst and Van Raaij (2004). Product packaging, product marketing, product diversification and research and development are all mentioned as marketing tasks by Piercy (1986). These tasks are all part of the product aspect of the marketing mix.

2.3.3.1.2 Pricing Management

The pricing aspect of the marketing mix is mentioned by both Piercy (1986) and Tansuhaj et al. (1988). Piercy (1986) adds the responsibilities of discounting and distributor negotiations to the marketing manager tasks, both of which fall under pricing management.

2.3.3.1.3 Distribution (Place) Management

The place aspect of the marketing mix is concerned with the distribution of products (Piercy, 1986). The responsibilities mentioned under place include trade marketing, exporting, distributor management, warehousing and transport (Piercy, 1986).

2.3.3.1.4 Promotion Management

The majority of the marketing tasks mentioned fall into the promotion aspect of the marketing mix. Promotional management involves decisions related to the promotional mix or the integrated marketing communication (IMC) of the organisation. According to Stuart (2010), IMC consists of advertising, personal selling, sales promotion, sponsorship, publicity and point of purchase communication. Advertising is mentioned as a marketing task by Piercy (1986), Tansuhaj et al (1988), Cowan (1993) and Moorman and Rust (1999). Personal selling is often referred to as simply “sales”. Personal selling is

mentioned as a marketing responsibility by Piercy (1986) and Tansuhaj et al. (1988). It is important to note that many writers exclude the selling function from the marketing function into its own specialised function (Drucker, 1954), (Levitt, 2004), (Webster, 2005). Sponsorship is mentioned as a marketing task by both Cowan (1993) and Aaker (2008). Public relations is mentioned as a marketing task by Cowan (1993), branding by Carpenter et al. (1988) and institutional image by Tansuhaj et al (1988). Direct mail and trade promotion are also mentioned by Cowan (1993) as a promotional technique.

2.3.3.1.5 The Corporation, Customers and Competitors

The marketing department should create a connection between the corporation and the customers of the corporation while at the same creating barriers to their competition (Verhoef and Leeflang, 2009). The marketing manager will need to conduct internal, market, industry, marketing and customer research to gain a comprehensive understanding of all these variables. Tools such as SWOT analysis, financial analysis and ratios, break-even analysis, resource analysis and balanced scorecard are usually used in this regard (Juin, 2007). Different organisations will place different levels of responsibility on marketing managers to influence decisions based on these three areas.

Marketing managers must help build relationships within the organisation and bring stakeholders together (Webster, 2005). Since every person in the organisation is responsible for marketing the organisation, it is the responsibility of the marketing manager to ensure that all employees are aligned to the organisational goals and visions and use a marketing approach to all decisions that are made in the organisation (French et al., 2011).

An important role of the marketing manager is to determine, understand and implement customer segments (Wind and Robertson, 1983). It is the duty of the marketing manager to ensure the satisfaction of the customers in the organisation as well as implementing a customer relationship marketing process (Goodwin and Ross, 1990), (Brown, Webster Jr, Steenkamp, Wilkie, Sheth, Sisodia et al., 2005). The marketing manager should track and measure customer perceptions, expectations, behaviour and profitability. The marketing manager is responsible for ensuring that all strategic decisions made in the organisation have a customer influenced element (Homburg, Workman and Jensen, 2000).

The marketing strategies of their competitors and their responses to changes in the market must be understood and researched by the marketing manager (Wind and Robertson, 1983). Competitor size, strategies, values, goals, market share, capabilities, costs, resources and positioning must be understood. This understanding of the competitor/s needs to be conveyed to the relevant decision makers in the organisation and used to create corporate and business strategies (Juin, 2007).

It is the responsibility of the marketing manager to conduct the research on the 3cs: corporation, customers and competitors and provide these perspectives at strategic planning initiatives (Juin, 2007). This will enable the company to adjust the 4P's with the influence of the 3c's. It can therefore be concluded that the 3cs should be included in the marketing mix.

2.3.3.2 Market Orientation Adoption

The market orientation decision (also referred to as the market concept) is extremely important to the overall strategic direction of the organisation. The marketing function should be held responsible for this decision which will affect the entire organisation (Tansuhaj et al., 1988) (Kotler and Andreasen, 1991) (Kotler and Keller, 2009). Moorman and Rust (1999) explains that this is the most important task of a marketing manager because this will affect how the organisation conducts all its business and forms strategies. The market orientation will be heavily influential on all of the decisions taken by the marketing department. The following concepts guide the market orientation of the organisation (Kotler and Keller, 2009):

- **The production concept** defined by high production efficiency, low costs and mass distribution.
- **The product concept** defined by high product performance, quality or product innovation
- **The selling concept** defined by aggressive selling and promotion
- **The marketing concept** defined by a customer-centred approach

- **The holistic marketing concept** defined by having a complete and cohesive approach where all activities of the organisation matter.

2.3.3.3 Marketing Strategy

Marketing strategy has become more customer-focused over time. The customer based roles and responsibilities of marketing managers mentioned in the literature are mentioned/designed to improve customer service (Piercy, 1986), (Moorman and Rust, 1999), build strong relationships with customers (Moorman and Rust, 1999), improve customer perceptions (Moorman and Rust, 1999), increase customer loyalty and retention (Moorman and Rust, 1999) (Tansuhaj et al., 1988), determine customer segmentation (Aaker, 2008) (Dibb et al., 2002) and Customer Relationship Management CRM (Aaker, 2008) (Payne and Frow, 2005). The marketing strategy of an organisation can include all the elements of the marketing mix, customer strategy, communication strategy and the brand strategy of the organisation. The marketing strategy should also detail the descriptive marketing approach of the organisation. The marketing strategy is usually detailed in a document, reviewed periodically and owned by the marketing manager.

2.3.3.4 Marketing Leadership

The leadership roles of recruitment, training, strategic planning, resource allocation, investment appraisals and metrics can all be classified as the corporation aspect of the 3 C's concept as well as company leadership (Piercy, 1986; Tansuhaj et al., 1988; Kotler and Andreasen, 1991), (Cowan, 1993), (Aaker, 2008) (Melaia et al., 2008), (Nath and Mahajan, 2008). These roles constitute the leadership roles and responsibilities of required for all the functional head of department (Asperger et al., 2002). The marketing manager will often have the added role such of designing marketing metrics, competitor tracking, sales tracking and budget management.

2.3.3.5 Contemporary Marketing Issues and Trends

Goodwin and Ross (1990) explain that one of the most important responsibilities of marketing managers is to create a complaint handling strategy for the organisation. Complaint handling will form part of a larger customer handling system. Vargo and Lusch

(2004) explain how marketing has evolved from a product-exchange logic to a service-based logic. Modern businesses have an array of customer touch-points across many different business functions. Each of these touch-points either create a marketing opportunity or a threat and hence the marketing manager needs to have influence across the entire organisation (French et al., 2011). Beyond these touch-points, organisations need to build long term relationships with their customers. Relationship marketing has evolved into a technology based solution called customer relationship management (CRM) (Payne and Frow, 2005).

Marketing managers have the added responsibility of being socially responsible while increasing the organisations profitability (Abratt and Sacks, 1988). Marketing managers in South Africa are often responsible for managing the BEE scorecard. Incorporating all of these marketing responsibilities with a change in organisational culture should create a socially responsible and customer focused organisation (Homburg et al., 2000).

Edelman (2010) explains that marketing managers have a responsibility to become effective digital marketers. Digital marketing is used to increase customer engagement, gather customer data capture leads and builds customer loyalty. By increasing e-service, marketing managers can increase customer satisfaction, affect customer behaviours and customer perception of the organisation (Carlson and O'Cass, 2010). Contemporary marketing managers have the additional responsibilities of managing CRM programs, segmentation, digital marketing, marketing effectiveness modelling, social technology, blog management, sponsorship management and PR in an internet world. Further, all of this needs to be integrated and guided by the brand and marketing strategies (Aaker, 2008) of the company.

The biggest trends that marketing managers have to deal with at the moment are globalisation of marketing strategies, new marketing technologies, developing online technologies and communication tools, personalization of marketing tactics and integrating marketing with all the other business functions (Goldsmith, 2004). Some marketing concepts need to be updated to use modern technologies for example, ‘word-of-mouth’ and ‘viral marketing’ now mainly utilise online social media (Ferguson, 2008).

2.3.1 Proposition 1

The roles and responsibilities of marketing managers in B2C organisations in South Africa will include:

- Product Management
- Pricing Management
- Distribution Management
- Promotion of the Organisation
- Corporation, Customer and Competitor Understanding
- Adoption of the Market Concept
- Marketing Leadership
- Marketing Strategy
- Managing Contemporary Marketing Issues and Trends

2.4. Relationship between Marketing and Strategy Formulation in the Organisation

Strategy formulation will take place in a unique way in every organisation. The responsibility of the overall strategies of the organisation will most often lie with the CEO, senior management, heads of the function departments, the executive board members or a combination of these people. A distinction needs to be made between corporate strategy that defines which industries the business will compete in and business level strategy which is fundamentally concerned with how the business will compete in the market place (Hax and Majluf, 1988), (Porter, 1988). The roles and responsibilities required of corporate and business strategy formulation may differ in certain organisations.

2.4.1 Strategic Approach

Strategy formulation in the organisation can be guided by academic principles and approaches (Mintzberg et al., 1999). Whichever method of strategy formulation is followed, a portfolio of roles and responsibilities in strategy formulation will be created. The roles and responsibilities identified in strategy formulation may overlap with some of the roles and responsibilities identified in the portfolio of marketing managers.

2.4.1.1 Mission, Values and Vision

Strategic direction in an organisation should be guided by strategic company statements. The first of these statements to be compiled is the mission statement which explains the existence of the organisation. The second document is the value statement that describes what the organisation believes in and how it should behave. The third document is the vision statement which describes where the organisation wants to be. All these documents should be used when compiling the strategy statement that is comprised by stating the organisations objectives, scope of business and the advantages it has over its competitors (Chun and Davies, 2001), (Collis and Rukstad, 2008). These documents will speak directly to the marketing manager's role of understanding and forming the corporation within the marketing mix.

2.4.1.2 Choice of Market Concept

The decision on which market concept will be followed has a large influence on the strategic approach and chosen strategies of the organisation. The following concepts guide the market orientation of the organisation (Kotler and Keller, 2009):

- **The production concept** defined by high production efficiency, low costs and mass distribution.
- **The product concept** defined by high product performance, quality or product innovation.
- **The selling concept** defined by aggressive selling and promotion.

- **The marketing concept** defined by a customer-centred approach.
- **The holistic marketing concept** defined by having a complete and cohesive approach where all activities of the organisation matter.

2.4.2 The Strategy Formulation Process

Every organisation will have a unique process by which corporate and business strategies are formed. The design of this process can be done by a combination of different employees in the organisation, usually lead by the CEO. By following the planning school of thought, strategy formulation takes place by following a process plan but can incorporate elements of the other 9 schools as depicted by Mintzberg et al (1999).

2.4.2.1 External and Internal Analysis

The first step is to conduct a thorough internal and external environmental analysis. The common tools used are swot analysis, value chain analysis, financial performance appraisal, Pestle analysis and documenting the organisations resources and capabilities (Sveiby, 2001) (Grant, 2009).

The second step is to conduct an industry analysis. The first part of an industry analysis is defining the scope of the industry that the organisation operates in. The most accredited tool used for conducting an industry analysis is the Porters 5 Forces model. The model requires organisations to assess the bargaining power of suppliers, bargaining power of customers, the threat of substitute products, threat of new entries and the level of existing competition within the industry. The different strengths of these five forces will affect the overall industry profitability and attractiveness hence forming the basis of the positioning school of thought (Porter, 1979), (Porter, 2000), (Porter, 2008). In order to gain the most insight out of this tool, the marketing manager should be used on at least the customer and competitor aspect since this overlaps with these sections of the marketing mix. The marketing manager could also add strategic value in the supplier and substitute segments as the marketing manager's role includes distribution and product management.

Conducting the research and analysis required of the first two steps will help the organisation to determine their overall competitive advantage (Porter, 1988), (Porter, 2000) The marketing manager may have performed this type of research and analysis in market research, marketing research, customer research, competitor research, developing products and responding to competitors in the market.

2.4.2.2 Strategic Frameworks

The first two steps involve collecting and analysing information about the organisation, the industry and the externalities that affect the business (Dyer, 1983). The third step requires strategic thinking (this often requires informal processes and conversations) in order to formulate strategies unique to the organisation (Mintzberg, 1978), (Mintzberg, 1994).

Organisations will often use a particular school of thought to formulate their unique business strategies or follow a proven strategic framework such as the resource-based view (RBV) which is a framework where the organisations unique resources and capabilities determine the organisations competitive advantages and the optimal use of these resources will affect the strategic choice (Wernerfelt, 1984). The RBV is well aligned to the core competence approach of Prahalad and Hamel (2003) and the strategic alliance concept of Hamel et al. (1989) (1991). An organisation that follows the RBV or core competence approach would utilise the marketing manager's knowledge of the corporation's and the competitor's abilities in order to formulate strategies.

Another popular strategic framework, when developing business strategies is the market-driven 'strategy approach' which places customers service, customer segmentation, customer value and competitor understanding at the centre of strategy formulation (Coughlan, Lee and Freir, 2002), (Carrillat, Jaramillo and Locander, 2004). A benefit of this approach is that by understanding the customer's needs the organisation will have superior product development (Li and Calantone, 1998). Following a customer approach as well as identifying competitors and their strategies should be central to the developing the organisations strategies within the market-driven system (Simkin, 1997). This approach will require a great deal of understanding of customers, customer service, competitors and product management, all of which have been identified as roles of the marketing manager.

One of the most popular strategic frameworks used in business strategy today is the three generic strategies approach. Michael Porter (1980) argues that there are only three generic strategies that an organisation can pick from. All organisational strategies will inevitably form part of a cost leadership strategy, differentiation strategy or a focus strategy.

Cost leadership is achieved on the supply side of the organisation by optimising supplier relationships and distribution channels, this strategy can affect the pricing strategy of the organisation. Cost leadership tactics include formal cost controls, process optimisation and supplier management. The cost leadership is therefore indirectly linked to place and pricing management which form part of the marketing mix identified as roles under control of the marketing manager (Porter, 1980), (Porter, 2000).

Differentiation can be achieved through new product developments, brand image, use of advertising, product features, unique customer service offering, use of new technologies and unique distribution channel selection. Some of the tactics for implementing a differentiation strategy in corporate strategy include: market diversification; acquisitions; corporate branding; restructuring; portfolio management; transferring skills and sharing activities (Porter, 1980). Some of the tactics for implementing a differentiation strategy in business strategy include: advertising; product branding; quality perception; product or service innovation; tracking of consumer tastes and competitor's strategies (Porter, 2000). These strategies speak to the areas of product, place, promotion, corporation, customers, competitors and market orientation, marketing leadership and aligning business units within the marketing managers identified responsibilities (Schmalensee, 1982), (Miller, 1987), (Porter, 1988), (Laforet and Saunders, 1994).

A focus strategy is achieved by aiming either a cost focus or differentiation focus approach to specific market segments, products or locations (Craig and Hart, 1992). Focus is achieved by using tactics such as customer or market segmentation, focused advertising, prestige pricing, niche product strategy, low prices and discounting (Porter, 1980), (Dickson and Ginter, 1987), (Porter, 2000).

Corporate strategies will define the scope of the firm in terms of which industries and markets it will compete in (Grant, 2009). The strategic frameworks that are often used in corporate strategy formulation are vertical, horizontal, concentric and conglomerate

diversification, vertical and horizontal integration, acquisition, divestiture, concentrated growth, market development, market penetration, product development, turnaround, Joint Ventures, strategic alliances and consortia. These corporate strategy frameworks will involve decisions and roles such as allocation of resource, value chain, product scope, geographical scope, brand identity, sales growth, cost reduction, customer segmentation, managing new technologies, market research and trend analysis, all of which overlap with some of the identified marketing responsibilities (Grant, 2009).

2.4.2.3 Implementation and Measurement

The fourth step of the strategic planning process involves the implementation of the chosen strategies throughout the different functional areas of the business. The business strategies should heavily influence and guide the strategies of every functional area. The fifth step requires management feedback of the chosen strategies and measurement of the effectiveness of them against the strategic objectives. This information is then used in creating new strategies (Dess, 1987; Mantere and Vaara, 2008). The marketing manager's involvement in steps four and five are often limited to a leadership role within the marketing department. As functional head of the marketing department, the marketing manager will ensure the implementation and measurement of the chosen strategies within the department. The functional heads of department will be responsible for strategy implementation in their area. The marketing manager may be able to contribute to the overall organisational measurements with marketing strategy metrics which should be closely aligned to the organisational strategy metrics. Many organisations rely on the marketing department for communicating the chosen strategies throughout the organisation.

2.4.3 Contemporary Issues and Trends in Strategic Management

Fierce competition is being created in modern business by the rise of globalisation, new technology and economic liberalisation. Strategy formulation needs to be innovative, flexible, dynamic and frequent to be successful in the modern era (Huyett and Viguerie, 2005). Market leadership in the new era will come from either being customer focused, digital world focused or a combination of both (Baird and Gonzalez-Wertz, 2011).

Technology is advancing faster now than ever before. Vastly improved communication and computing power are improving knowledge, work quality and productivity. This has ensured that the competitive environment is more challenging and fast changing (Huyett and Viguerie, 2005) than ever before. Due to this rapid change, approaches and tools that were effective in the past are now often hindering success. Organisations need to decide on the technology strategies such as which technologies to use in which functions, the level of technology versus labour, frequency of technology upgrades, communication strategy, technological involvement in innovation, the online strategy of the organisation, technological focus, research and development and response to competitors technologies (Bettis and Hitt, 1995). The marketing manager will have to use new technologies in product management, place management, promotion management, customer service, competitor and market research and the market orientation decision.

All organisations need to recognise the threat from foreign corporations in the home market and the opportunities in foreign markets. There are many options in global strategy formulation. Organisations should look at building international networks, joint ventures, strategic alliances, integration, international sourcing and e-commerce are some of the strategic options that organisations should be cognisant of (Hamel, 1991), (Buckley and Ghauri, 2004). Ghemawat (2005) explains that multinational organisations should create regional strategies for their different geographies. The strategies that organisations can choose from are categorised into: home base, portfolio, hub, platform or mandate. The marketing manager will have to understand the threat from international competitors, product development in foreign markets, international pricing and distribution and aligning business strategies in all of the organisations geographical locations (Ghemawat, 2005).

It is critical that organisations show an innovative approach to formulating strategies. Sawhney et al. (2011) explains the 12 different dimensions that businesses can innovate; product offering, platforms, solutions, customers, customer experience, value capture, processes, organisation, supply chain, presence, network and the brand. If the 12 dimension approach to innovation is followed, the marketing manager will be specifically tasked with innovation within the areas of product, customers, customer experience, value capture, organisation, supply chain, network and the brand. Other popular approaches to strategy innovations include shared value, stakeholder based strategies, sustainability, customer based innovation, anticipating competitors strategies, creating blue ocean

strategies, scenario planning, global thinking and bottom of the pyramid, (Schoemaker, 1995), (Coughlan et al., 2002), (Thomke and Hippel, 2003), (Kim and Mauborgne, 2004) (Ghemawat, 2005), (Prahalad, 2006), (Ghemawat, 2007), (Porter and Kramer, 2011) all of which have elements of the marketing mix attached.

Leadership links the steps in the strategy formulation process (Mintzberg, 1978), this term is often referred to as strategic leadership (Gavetti, 2011). The strategic leader is tasked with bringing a strategic approach to the entire business and ensuring the chosen strategies are being adhered to throughout the organisation. The CEO is responsible for the overall strategic direction of the organisation (Perryman, Butler, Martin and Ferris, 2010) but the marketing manager should be tasked with aligning the strategy throughout all the different business units (Webster Jr, 1992).

2.4.4 Proposition 2

The areas where marketing managers have the most effect on strategy formulation are:

- Producing Mission, Value and Vision Statements
- Choice of Market Concept
- Product and Service Offering
- Relationship Management
- Customer Segmentation
- Price Positioning
- Channel Management
- Promotion Management
- Strategic Leadership
- Competitor and Market Research
- Handling Contemporary Issues and Trends

2.5. Conclusion of Literature Review

The role of marketing managers may vary between different organisations. The roles and responsibilities of marketing managers identified by the literature can be categorised into product management, pricing management, distribution management, promotion of the organisation, corporation understanding, customer management, competitor and market research, adoption of the market concept, leadership, marketing strategy and managing contemporary marketing issues. The importance of these roles may vary from one organisation to another. In large organisations with multiple business units, it is the role of the marketing manager to align the different business units to the customer (Webster Jr, 1992). Marketing managers need to ensure that the market orientation, marketing strategies and policies are being adhered to across the entire organisation (French et al., 2011). Marketing strategy should feed into business and corporate strategy through marketing research and knowledge. Business strategy feeds back into all the functional areas including marketing (Varadarajan Terry, 1994). This is seen as a top/down and bottom/up approach to strategy formulation.

Strategy formulation takes place in different ways in different organisations. The strategy formulation process depicted in the literature is often used differently in different organisations and the strategic frameworks manipulated to meet the specific needs of the organisation. Strategy formulation should rely on first understanding the corporation, its customers and competitors by using market research as well internal guidelines such as the mission, value and vision statements. The chosen strategies will usually revolve around customer service, branding, product offering, pricing, processes, supply chain and involve targeting existing products and markets or developing new products and markets (Ansoff, McDonnell and Harvey-Jones, 1987). The roles and responsibilities of strategy formulation identified by the literature can be categorised into producing mission, value and vision statements, choice of market concept, product and service offering, relationship management, customer segmentation, price positioning, channel management, promotion management, competitor and market research and handling the contemporary issues of globalisation, new technologies, innovation and strategic leadership.

A comparison of the literature reveals an overlap of marketing manager and strategy formulation roles in the following areas: adoption of the market concept, product and service offering, new product development, CRM, customer segmentation, pricing management, channel management, branding, advertising, online and digital strategies, competitor and market research and alignment of business unit strategies. All of these roles could fall under the control of the marketing manager. The overlapping capabilities required to formulate marketing as well as business strategies are: global thinking ability, innovation, understanding of new technologies, market and industry knowledge, customer focus, understanding of competitor's strategies, leadership skills, measurement skills and resource allocation skills. Table 40 and Figure 5 depict the overlap of marketing managers and strategy formulation roles are shown in Appendix A.

2.5.1 Proposition 1:

The roles and responsibilities of marketing managers in B2C organisations in South Africa will include:

- Product Management
- Pricing Management
- Distribution Management
- Promotion of the Organisation
- Corporation, Customer and Competitor Understanding
- Adoption of the Market Concept
- Marketing Leadership
- Marketing Strategy
- Managing Contemporary Marketing Issues and Trends

2.5.2 Proposition 2:

The areas where marketing managers will most affect strategy formulation are:

- Producing Mission, Value and Vision Statements
- Choice of Market Concept
- Product and Service Offering
- Relationship Management
- Customer Segmentation
- Price Positioning
- Channel Management
- Promotion Management
- Strategic Leadership
- Competitor and Market Research
- Handling Contemporary Issues and Trends

CHAPTER 3: RESEARCH METHODOLOGY

This section of the research explains the methodology for conducting the research. The first section explains the paradigm of qualitative research methodology in relation to this research report. The next section discusses the research design including the advantages and disadvantages followed by the section on the population and sampling methods used. The research instrument is presented and then the data collection procedure is detailed. Data analysis in relation to this research will then be provided. The penultimate section presents the limitations of the study and the final section of the chapter discusses the validity and reliability of this study.

3.1 Research Paradigm

Since the focus of this study is to understand the roles of marketing managers and their involvement in strategy formulation, from the point of view of the marketing manager, the research methodology that is used is qualitative (Leedy and Ormrod, 2002). This methodology is relevant as the study examines marketing managers in their natural setting, analysing their purpose and usefulness to the organisation (Creswell, 1998).

Throughout the research process, there are certain assumptions of qualitative research that have been adhered to and include: a natural setting, the researcher being the key instrument of data collection, data collected as either words or pictures, outcome being a process, the use of inductive analysis, focus on the perspective of the respondents, use of expressive language and persuasion of reason (Creswell, 1998).

3.2 Research Design

Qualitative research of this nature is empirical, exploratory and interpretivist. The researcher observed marketing managers in their natural environment and collected their opinions and perceptions in order to describe their current portfolio of roles and effect on strategy formulation. Since the information used is based on the interviewer gaining an in-depth understanding of the personal experiences of the respondent an in-depth semi-structured interview was used to gather data (Silverman, 2006). This type of interview

allows the interviewer to follow up on interesting ideas but still has a degree of structure (Walker, 1985).

Some further advantages of in-depth semi-structured interviews that make it appropriate for this research include a high level of researcher control (Creswell, 1994) this means that the researcher has the ability to prompt and probe if necessary (Pirow, 1990) and respondents can provide historical information if necessary (Creswell, 1994).

Some of the disadvantages of in-depth semi-structured interviews include: information gathered can be skewed because it is seen from the respondent's perspective, the interviewer can introduce/illicit bias (Creswell, 1994) and the researcher may misinterpret the intended meaning of some responses (O'Sullivan, Rice and Saunders, 1994). In order to overcome these disadvantages, research questions were explained, responses repeated back to the respondent for confirmation and certain literature referred to in order to align meanings since the interpretation of marketing concepts is known to vary. The researcher used aids such as display cards and literature gathered from the literature review to guide respondents at certain points of the interview. These display cards and the points where they were introduced are depicted in Appendix B.

The interviews were conducted face-to-face and had both open-ended and rank-order based questions (Patton, 2002). The interviews were conducted at the place of work of the respondents in a private setting away from colleagues (Walker, 1985). The transcripts of interviews were then analysed using a summative approach which would constitute content analysis (Leedy and Ormrod, 2002). The purpose of content analysis is to identify patterns, themes, trends or bias across the transcripts.

3.3 Population and Sample

3.3.1 Population

The population consists of the senior marketing officials (Chief Marketing Officer, Marketing Director or Marketing Manager) of large companies that operate in a Business to Consumer environment in South Africa.

3.3.2 Sample and sampling method

The nature of this research requires respondents that have a high level of marketing knowledge and experience and must hold a high level marketing position. To ensure the right types of people were interviewed, “purposive” sampling was used (Walker, 1985), (Patton, 2002).

The research was restricted to large organisations in South Africa. Large organisations in South Africa are defined by the National Small Business Act as an organisation that has more than 100 employees (South Africa, act Number 102 of 1996). Due to logistical reasons, only organisations based in Johannesburg, South Africa were considered. One marketing manager from each of the 17 different companies was interviewed (see Table 41 in Appendix A).

3.4 The Research Instrument

The research instrument used was a face-to-face semi-structured interview consisting of open-ended questions and rank-order questions. The nature of this type of interview allows for probing and discussions of each question (Walker, 1985). Additional tools such as display cards were used to guide the respondent with certain academic concepts.

The interview questions and display cards are listed in Appendix B, under the heading: The Research Instrument, and are intended to extract the facts and perceptions from the respondents required investigate the research problem and sub-problems.

3.5 Procedure for Data Collection

The selected respondents were contacted by either email or telephone to agree to an interview and to arrange an interview date and time. All interviews strictly followed the interview questions listed in Appendix A. These interviews were conducted face-to-face at the respondent’s corporate office as to make the process comfortable and convenient for the respondent. Each interview was recorded with the use of an audio recorder and transcribed after each interview.

3.6 Data Analysis and Interpretation

Data analysis started partially during the collection process so that gaps were identified early and corrective action could be taken. Data analysis followed three steps namely data reduction, data display, conclusion drawing/verification (Miles and Huberman, 1984).

Data reduction was conducted by condensing the transcripts from recorded interviews into data summaries for analysis. Data display was conducted by coding key terms and themes in the data summaries (Neuendorf, 2002). The content analysis method was applied to extract themes and contradictions within the data (Neuendorf, 2002). The summative approach was used in content analysis (Hsieh and Shannon, 2005). The summated set of data was then displayed using text-based matrices to assist in interpretation (Miles and Huberman, 1984). Conclusion and drawing meaning from the data involved compare/contrast analysis, as well as the noting of patterns and trends as this provided a holistic perspective (Patton, 2002).

3.7 Limitations of the study

- The nature of the questions dealing with job responsibilities and importance of a job role speaks to the ego of the individual which may have skewed the respondent's answers.
- The fact that only Johannesburg based organisations will be approached may affect the results as many B2C organisations are based in other locations in South Africa.

3.8 Validity and reliability

3.8.1 External validity

"External validity of a research study is the extent to which its results apply to situations beyond the study itself" (Leedy and Ormrod, 2002 P.99). The external validity of this research is ensured by conducting the research in a real world setting and picking a deliberate and purposive sample that is representative of the population.

3.8.2 Internal validity

“Internal validity of a research study is the extent to which its design and the data it yields allow the researcher to draw accurate conclusions about cause and effect and other relationships within the data” (Leedy and Ormrod, 2002 P. 97). The internal validity of this research is ensured by providing each respondent with a summary of the findings and inviting each of them to comment.

3.8.3 Reliability

> “Reliability is the consistency with which a measuring instrument yields a certain result when the entity being measured hasn’t changed” (Leedy and Ormrod, 2002 P.29).

Reliability was maximised by testing the research instrument in a pilot study on a trial respondent prior to the actual interviews. The researcher used consistent and systematic interviewing techniques in all the interviews.

CHAPTER 4: PRESENTATION OF RESULTS

4.1. Introduction

The aim of the research was to seek to identify the roles of marketing managers and to determine which of these roles also form part of the strategy formulation process and to what extent these roles affect strategy formulation and the relative importance of the identified roles. This chapter presents the results from the face-to-face open-ended interview questions as well as one rank-order question.

The chapter introduces the demographic profiles of the organisations interviewed including industry, size, marketing department structure, reporting structures, designations interviewed and background. The results pertaining to proposition one and then two are presented next by using the summative approach. This method quantifies the number of times particular elements are mentioned that relate to one of the proposition sub-headings.

4.2. Demographic profile of respondents

Seventeen face-to-face interviews were conducted with the most senior marketing person of seventeen different large B2C organisations in South Africa. The respondents come from a variety of different sectors and organisation sizes within the B2C environment.

The respondents came from 12 different industries within the B2C environment. One of which came from agriculture, one Air Travel, 2 consumer Electronics, 4 Retail, 2 Financial Services, 1 Electrical, 1 Insurance, 1 Fast Food, 1 Healthcare, 1 Banking and 1 from Snacks. These industries are depicted in Table1 below.

Table 1: Profile of Organisations

Company Name	Industry
African Realty Trust	Agriculture
Comair	Air Travel
Core Group	Consumer Electronics
Dischem	Retail
Discovery	Financial Services
Edcon	Retail
Ellies	Electrical
JD Group	Retail
Lenovo	Consumer Electronics
Massmart	Retail
Mutual and Federal (Iwyze)	Insurance
Nando's	Fast Food
Netcare	Healthcare
Sasfin	Financial Services
Simba	Snacks
Standard Bank	Banking
Virgin Money	Financial Services

Each organisation had a unique way of structuring the organisation and marketing department. Table 2 below depicts the size of the 17 different organisations that took part in this study as well as the size of their marketing departments. The numbers in brackets represent employees that work in marketing but do not report directly to the interviewee, either because they are based in another business unit, a different geographical location or functional unit such as operations.

Table 2: Size of Organisations and Marketing Departments

Respondent	Organisation	Marketing Department
1	2 200	8
2	400	4
3	5 000	1 (20)
4	350	12
5	2 000	18
6	2 500	22
7	6 000	1 200
8	20 700	60
9	3 500	5 (40)
10	3 000	2
11	50 000	130 (30)
12	22 000	1 (30)
13	1 500	12
14	5 000	4
15	12 500	67
16	30 000	4 (30)
17	15 000	50
Total Employees	**181 650**	**1 750**
Average Employees	**20 183**	**80**

The smallest organisation has 350 employees and the largest has 50 000 employees. The average number of employees over the 17 different organisations is 20,183. 3 of the organisations are considered business units that are owned by a holding company but operated independently from the holding company. Nine of the organisations have their own business units, seven of which are split by product category and 2 by geographical region. Two of the organisations have neither a separate holding company or operate business units bellow them. Two of the organisations are considered to be the local office for international brands. Of these, one is wholly owned by the brand being represented and the other operates an agency for two well-known international brands. One organisation is considered a joint venture, brand licencing agreement between an international brand and a local organisation.

The marketing departments that fall under these employees range from being flat and simple to large, complex and multi-layered. Two of the respondents represent the only marketing person in the organisation, 4 departments have between 2 and 10 employees in them, 5 departments between 11 and 50 employees, 3 are between 51 and 100 and 3 departments are larger than 100 with the largest being 1200. Six of these organisations operate a type of matrix structure where a portion of the marketing department report to the head of the marketing department on a dotted line basis. The table below depicts the different organisations and industries that were interviewed.

Table 3: Designation of Respondents

Designation	Respondents
Marketing Director	5
Chief Marketing Officer	1
Executive Manager: Marketing	2
Marketing Manager	5
Head of Marketing	3
Brand Manager	1

Between the 17 organisations, there was significant differentiation in designation of the most senior marketing manager. Four of the respondents were titled: Marketing Director, one was called: Sales and Marketing Director, one is a Chief Marketing Officer, one called Executive Manager: Marketing, one was called Executive: Marketing and Merchandising, four were called: Marketing Manager, three called: Head of Marketing, one called: Marketing and Logistics Manager and one Brand Manager. Four of the respondents are considered a Director at organisational level, three of the respondents are a Director at business unit level, 4 respondents are considered the functional head of the marketing department without director status and 6 of the respondents are part of senior management but not part of an executive management above them in the organisational hierarchy. 9 respondents report directly to the organisations CEO, 5 of them report to the business unit CEO, 1 reports to a deputy CEO, 1 to a regional marketing manager and 1 to a member of the executive management with the title of Director: marketing, strategy and business development.

4.3. Results pertaining to Proposition 1

The objective of this proposition is to determine whether the roles and responsibilities of marketing managers in South Africa include Product Management, Pricing Management, Distribution Management, and Promotion of the Organisation, Corporation Understanding, Customer Management, Competitor and Market Research, Adoption of the Market Concept, Leadership, Marketing Strategy, and Managing Contemporary Marketing Issues and what tasks are included in these responsibilities.

This section uses the themes collected in the literature review to guide the presentation of roles, responsibilities and tasks of marketing managers. The chapter sums up the relevant responsibilities, roles and tasks mentioned in the open-ended questions under each theme. First the components of the marketing mix are presented and then adoption of the marketing concept, marketing leadership, marketing strategy and finally managing contemporary marketing issues. Each of the roles and responsibilities depicted in proposal 1 is covered in these headings.

It was found that the roles identified can be either: owned by marketing or key to marketing or marketing can have an instrumental role to play or have a supportive or consultative role to play or marketing can have varying degrees of influence and involvement on the responsibilities identified or marketing has no involvement at all. Where possible, the involvements of employees and departments outside of marketing have been mentioned. Also, where possible, the different levels of involvement of the marketing managers interviewed have been shown using tables that count the number of mentions per involvement level.

4.3.1. The Marketing Mix

As per the literature, the marketing mix is defined by the “4 Ps” and “3 Cs” of marketing namely Product management, Pricing management, distribution (Place) management, Promotion of the organisation and Corporation understanding, Competitor understanding and Customer understanding.

4.3.1.1. Product Management

Table 4: Marketing Managers Involvement in Product Management

Level of Involvement	Respondents
Owned by Marketing	0
Jointly Responsible with another Department	4
Marketing is not responsible but Instrumental	1
Marketing is not responsible but has a large Influence	4
Marketing is not responsible but has a medium Influence	2
Marketing is not responsible but has a small Influence	2
Marketing has no Influence	4

None of the marketing departments surveyed solely own the product function. Four respondents manage the product aspect of the business jointly with operations. Two of the organisations have a separate product management function and 3 a separate merchandising function that are responsible for product management. Seven of the respondents explained that operations handle product management and 1 in which the Executive Board is solely responsible for product. Two respondents have an operations responsibility in their portfolio by managing a sub-business unit segmented by product. Four of the respondents mentioned that they have no influence on the product at all. Three respondents expressed that they had to push hard to be involved in product management.

Table 5: Product Management Tasks Performed by Marketing Managers

Marketing Task	Respondents
Measuring Consumer Insight	8
Product Development	4
Idea Generation and Innovations	3

One respondent explained that they are not involved in product management but it is crucial to the marketing role to understand product management in the organisation. The area where marketing has had the most influence is in providing consumer insight with 8 respondent mentions. Four respondents said that they influence product management by being part of product development initiatives and 3 by idea generation and innovation.

4.3.1.2. Pricing Management

Table 6: Marketing Managers Involvement in Pricing Management

Level of Involvement	Respondents
Owned by Marketing	0
Jointly Responsible with another Department	1
Marketing is not responsible but Instrumental	1
Marketing is not responsible but has a large Influence	4
Marketing is not responsible but has a medium Influence	4
Marketing is not responsible but has a small Influence	4
Marketing has no Influence	3

None of the respondents own the pricing function in the organisation. One respondent is responsible for pricing jointly with a sales team. Nine of the organisations have allocated pricing management to the operations department, 1 to the merchandising department, 1 to product management department and 1 have a specialist pricing department. One CEO takes full responsibility for pricing himself and 3 respondents explained that the industry sets the price which is very difficult to influence. Four respondents mentioned that they have a large influence on the pricing decision makers. The areas where they have this influence are: market research and analysis; price positioning; pricing in different geographical regions and managing input costs. Three respondents mentioned that they have no influence on pricing at all.

Table 7: Pricing Management Tasks Performed by Marketing Managers

Marketing Task	Respondents
Measuring Consumer Insight	5
Creating Value	1
Track pricing against competitors	1
Manage Discounting	1
Advisory Role	1

Five respondents identified providing consumer insight as how they influence pricing. 1 respondent explained that their role in pricing is making sure that value is created for the customer. One respondent mentioned that he/she tracks pricing versus the competitors. One mentioned that the discount processes is managed in the organisation. One respondent explained that their role is to give advice on an *ad hoc* basis to the decision maker on branding.

4.3.1.3. Distribution (Place) Management

Table 8: Marketing Managers Involvement in Distribution Management

Level of Involvement	Respondents
Owned by Marketing	2
Jointly Responsible with another Department	1
Marketing is not responsible but Instrumental	2
Marketing is not responsible but has a large Influence	3
Marketing is not responsible but has a medium Influence	2
Marketing is not responsible but has a small Influence	1
Marketing has no Influence	6

Two of the respondents said that they own the distribution function and all the responsibilities related to getting the product to the customer. One respondent shares the distribution function with the sales department. Eleven of the organisations have allocated distribution management to the Operations department, 2 were allocated to the sales department and 1 to the product management department. One respondent mentioned that the online sales channel is his/her responsibility. Six respondents mentioned that they have no influence on distribution decisions at all.

Table 9: Distribution Management Tasks Performed by Marketing Managers

Marketing Task	Respondents
In-store design, promotions, point of sale, visuals and layout	8
Provide Data and Advise	4
Liaise with External Distribution Partners	3
Reducing Distribution Costs	2
Advisory Role	1

Three of the respondents have influence over distribution decisions in an advisory role and provide market data. Three respondents are responsible for liaising with external distribution partners. Three respondents defined their role in distribution as promoting new store openings and expansions. Two respondents have some responsibility in reducing distribution costs and one mentioned that their role is to provide feedback, ideas and innovation to the decision makers. One respondent explained that he/she is not expected to be involved in distribution management but it is crucial to the marketing role to understand distribution management in the organisation. The area where marketers marketing managers have the most influence distribution is in store where 6 respondents mentioned that they are responsible for in-store design, promotions, point of sale, visuals and layout.

4.3.1.4. Promotion Management

Table 10: Marketing Managers Involvement in Product Management

Level of Involvement	Respondents
Owned by Marketing	15
Jointly Responsible with another Department	2
Marketing is not responsible but Instrumental	0
Marketing is not responsible but has a large Influence	0
Marketing is not responsible but has a medium Influence	0
Marketing is not responsible but has a small Influence	0
Marketing has no Influence	0

Fifteen of the respondents claimed to fully own the promotion function of the organisation and 2 co-own it, one with product management and the other an external communications department. Six respondents explained that large portions of the promotional mix have been outsourced to agencies which maintain this relationship. One respondent explained that although they ultimately are responsible for the overall marketing function, most of the responsibility falls under the business unit since the department is decentralised

Table 11: Promotion Management Tasks Performed by Marketing Managers

Marketing Task	Respondents
Develop the Advertising Strategy	14
Develop the Brand Strategy	13
Media Selection	11
Public Relations and Sponsorships	10
Online and Web Strategy	8
Design and Production	7
Develop the Communication Strategy	6
Events and Conferencing	6
In-Store Promotions	6
Co-Marketing Initiatives	5
Generating Sales leads and Sales Growth	5
Develop Sales Promotions	4
Trade Marketing initiatives	3
Experiential Marketing	2

From Table 11, it can be seen that 6 respondents expressed that they are responsible for the full communications strategy and 14 for developing the advertising strategy. Thirteen of the respondents are responsible for brand strategy and management which roles include building trust, brand architecture and positioning, insights, research, measurement, trade mark management, corporate identity and creating awareness. Eleven respondents explained that they are responsible for media selection which they split into bellow the line and above the line channels. Many of the respondents explained how they manage the mix of “above the line” media channels such as television, radio, online and cellular. Seven respondents mentioned that they have an internal design team within marketing that are responsible for creative work and production. Ten of the respondents are responsible for

PR and sponsorships and 6 for eventing and conferencing. Eight respondents are responsible for all online and web activity and 6 for all in store activity. Four respondents explained that they are fully responsible for designing and implementing sales promotions but another 3 explained that the sales promotions are designed by other functions and marketing will then communicate them. Five respondents are responsible for co-marketing initiatives with agencies, suppliers or partner organisations. Five respondents are responsible for generating sales leads, increasing sales numbers and business development. 3 respondents are responsible for all the trade marketing initiatives and 2 for experiential marketing initiatives. Two of the respondents mentioned that managing the promotional budget was critical to their roles.

4.3.1.5. Corporation, Customer and Competitor Understanding

Table 12: Marketing Managers Involvement in Corporation Understanding

Level of Involvement	Respondents
Marketing is not responsible but Instrumental	1
Marketing is not responsible but has a medium Influence	8
Marketing is not responsible but has a small Influence	3
Did not mention involvement in this area	5

In Table 12, one respondent mentioned that he/she has a high corporation responsibility, it was explained that this company includes another “P” in the marketing mix called “people”. This marketing role includes induction, training, motivation and internal branding. Eight of the respondents are responsible for cross-functional internal communication in the organisation and 3 respondents are responsible for providing staff product training and staff events. Five respondents did not mention their involvement in the corporation.

Table 13: Marketing Managers Involvement in Customer Understanding

Level of Involvement	Respondents
Owned by Marketing	2
Marketing is not responsible but Instrumental	10
Marketing is not responsible but has a large Influence	3
Marketing is not responsible but has a medium Influence	0
Marketing has no Influence	2

In Table 13, two of the respondents said that there is a separate Customer Care department from the Marketing department and that the marketing manager has no involvement in them. Two respondents mentioned that their customer experience departments fall within the marketing department. Five of the respondents said that their marketing departments are responsible for developing customer business across the different business and linking products to customers units in the organisation. Five of the marketing departments have CRM or loyalty teams and 3 marketing departments are responsible for customer segmentation. Four of the respondents are responsible for relationship marketing and building customer relationships. Seven respondents are responsible for conducting customer analytics that include areas such as customer perception, service levels, and customer experience.

Table 14: Marketing Managers Involvement in Competitor Understanding

Level of Involvement	Respondents
Owned by Marketing	2
Marketing is not responsible but Instrumental	1
Marketing is not responsible but has a large Influence	1
Marketing is not responsible but has a medium Influence	1
Marketing is not responsible but has a small Influence	1
Marketing has no Influence	2
Did not mention involvement in this area	9

Table 14: two respondents own the competitor tracking function. One respondent tracks only competitor pricing comparisons. One respondent explained that competitor tracking is a marketing leadership role. One respondent described how they introduced competitor tracking into the marketing department. One respondent said that their company does their own customer tracking even though it is not part of their job description. One explained how they try to encourage the marketing team to do *ad hoc* competitor tracking since no formal process is in place in the organisation.

Table 15: Corporation, Customer and Competitor Understanding Tasks Performed by Marketing Managers

Marketing Task	Respondents
Internal Communication	8
Customer Analytics	7
Developing Business Across Different Business Units	5
Loyalty and CRM	5
Induction, Training and Motivation	4
Relationship Marketing	4
Customer Segmentation	3
Ad Hoc Competitor Tracking Initiatives	3
Managing a Customer Care Department	2
Own all Competitor Information	2
Track Competitor Pricing	1

Two respondents could not show involvement in the Corporation, Customer or Competitor functions. Seven respondents explained that they are involved in general market research which could uncover findings in these 3 functions. One marketing department has a dedicated team for this called Insights and one has the business intelligence team fall under marketing dept. Some of the *ad hoc* roles that the respondents mentioned that could have an effect on how the '3 Cs' are disseminating information throughout the organisation (6 respondents), breaking down organisational silo's (2 respondents), being part of cross functional teams (2 respondents), managing the market risk of the organisation (1 respondent) and management of internal and external stakeholders or key organisational relationships (5 respondents).

4.3.2. Market Orientation Adoption

Table 16: Market Orientation Approach

Orientation	Respondents
Confused or Could Not Answer	4
Holistic Approach	3
Marketing Approach	3
Selling Approach	4
Production Approach	2
Product Approach	2

When respondents were asked what the market concept of the organisation is, four of the respondents were either confused or could not give an answer. Three answered that the organisation follow the holistic approach, 3 said marketing approach, 3 said the selling approach, 2 said the production approach and 1 said product approach. One of the respondents said that the organisations approach was a combination between the product and selling approach. The respondents that were confused or could not answer this question are clearly not involved in the decision making process in the market orientation. The organisations that use product and production concepts typically would not involve marketing in their strategic decisions as focus is on the product and not customer. The selling and marketing approaches typically would use marketing in strategic decision making as there is more customer and market focus. The holistic approach should use all the organisational functions equally in forming strategies.

Table 17: Marketing Managers Involvement in Adoption of the Market Orientation

Level of Involvement	Respondents
Owned by Marketing	2
Marketing is not responsible but has a large Influence	6
Marketing is not responsible but has a medium Influence	1
Marketing is not responsible but has a small Influence	2
Marketing has no Influence	4
Did not mention involvement in this area	2

In Table 17, four respondents have no involvement in determining the market concept of the organisation. Of these 4 respondents, 2 mentioned that the CEO was the sole decision maker of the market concept. Two respondents mentioned that they have a small influence on the decision maker of the market concept, when in strategy meetings. Six respondents said that they have a large influence on the decision maker. One respondent explained that they are equally responsible for the decision with the rest of the executive management. Two respondents told how they are the decision maker of the market concept and 2 did not mention their involvement in the process. Six respondents explained that the organisation is in a transition phase and trying to be part of the transition.

4.3.3. Marketing Strategy

Table 18: Scope of Marketing Strategy

Responsibility	Respondents
Two or more Marketing Mix Elements	9
Communication Strategy Only	6
Promotional Mix Only	4
Operations Department Elements	3
Branding Strategy Only	2
Merchandising Strategy Included	2
Insights and innovations Included	1

All 17 of the respondents claim to be responsible for developing the marketing strategy of the organisation. Not all of these marketing strategies involve the full traditional scope of marketing mentioned in the literature section of this document. When analysing the ownership of the different marketing areas, 9 of the respondents included 2 or more marketing mix elements in the marketing strategy. Of these 9, one of the respondents does not develop the strategy but overseas and advises the business unit marketing teams in their marketing efforts. Four of the respondents said that their marketing strategies include the full promotional mix but exclude all the other marketing mix elements in their marketing strategy. Two of the respondents said that their marketing strategy only involves branding and 6 said it only includes the communication element of the promotional mix. Three of the respondents have included strategies that traditionally fall

under the operations function in their marketing strategy. Two respondents have taken ownership of the merchandising strategy in addition to the marketing strategy. One respondent has the additional responsibility of managing organisational insights and innovations within the marketing strategy.

Table 19: Marketing Approach

Approach	Respondents
Research, Data Analytics and Customer Understanding	7
Influencing the Other Functional Departments	5
Brand Focus	5
Customer-Centric Approach	4
Experimentation and Learning	4
Advertising, Promotional or Communication Focus	4
Product Experience and Education	3
Have Clear Objectives, Visions and Values	3
Trade Marketing and Relationship Building	2
Translating into South African Context	2
Fixing Problems and Avoid overlapping	2

When the respondents were asked to describe the marketing approach in their own words, Table 19 showed that 7 described it as a process of research, data analysis and customer understanding. Five respondents described their approach as influencing the different functional departments with a customer perspective. Five respondents approach marketing with a brand focus, designed to simplify and strengthen the brand as well as build trust. Four respondents have initiated a customer-centric approach by creating value for the customer and segmenting the customer base. Four respondents described their approach as one of being largely reactive, by way of using experimentation and learning while being nimble and flexible. Four respondents follow an advertising, promotional or communication approach to marketing. Three respondents explained that their marketing approach is based on data and metrics such as return on investment, bottom line profit and cost of acquiring customers. Three respondents approach marketing by providing product experiences and education while ensuring product quality and innovation. Three respondents explained that having clear objectives, vision and values to guide their marketing approach. Two respondents identified trade marketing and relationship building

as their focus. Two respondents described their marketing approach as converting or translating the approaches from shareholder organisations into a South African context. One respondent said that their approach to marketing is based on fixing problems and 1 respondent's approach is to make sure that the different business units do not overlap one another and cause cannibalisation.

4.3.4. Marketing Leadership

Table 20: Marketing Leadership Tasks Performed by Marketing Managers

Marketing Task	Respondents
General Management	14
Change Management and Structure	9
Developing Specialist and Business Skills	6
Design of Metrics	5
Translating Business Objectives into Marketing Tasks	4
Budgeting and Cost Management	3
No Leadership Responsibility	2

In Table 20, two of the respondents could not demonstrate any leadership responsibility. Fourteen respondents mentioned that they are involved in the daily running of the marketing department and have general management responsibilities such as recruitment, training, motivation, providing direction, delegation, job design, guidance, encouraging innovation and providing a shared service to all specialist marketing areas. Four of the respondents conduct this role in cooperation with the Human Resources function and 1 respondent has a human resources team within the marketing department. Nine respondents are responsible for the structure and design of the department and have implemented some form of change management. Five respondents are responsible for design and implementation of marketing metrics, for example return on marketing investment (ROMI) and project return on investment (ROI). Five respondents said that developing business skills within the Marketing department is part of their role. Four respondents felt that translating business objectives into marketing tasks is part of their marketing leadership responsibility. Three respondents mentioned budget management and cost reduction as a leadership role within marketing management. Four respondents

explained that they believe part of their marketing leadership role involves understanding shareholders, competitors and changing consumer demographics, as well as staying up to date with changing technologies, methodologies and data analytics. One respondent cited creating barriers for competitors as part of the marketing leadership role.

4.3.5. Managing Contemporary Marketing Issues and Trends

Table 21: Marketing Issues and Trends

Marketing Task	Respondents
Social Media	12
Online and Digital	10
Data Analytics and Big Data	9
Communication and Media	6
Shrinking Marketing Budgets	5
Understanding Macro and Social Changes	4
Price Sensitivity and Product Expectations	3
Global Economic Condition	2
Supplier Relationships	2
Lack of trust of Corporations and Brands	2
Customer Purchase Frequency	1

When asked what contemporary marketing issues are being dealt with, 12 respondents mentioned social media. Ten respondents mentioned the digital and online environment as a whole, especially the two-way communication challenge that it brings to modern businesses. Nine respondents mentioned that data analytics, over-abundance of information and customer understanding and profiling was a current issue. Due to overwhelming media clutter and choice, 6 respondents mentioned innovative communication and media selection as a current issue in their departments. 5 respondents mentioned shrinking marketing budgets and cost reduction as a challenge. Understanding the macro and social changes in South Africa and globally had 4 respondents concerned while 3 respondents said they are finding it difficult to overcome skills shortage in their departments. Three respondents explained that a current issue is the increase in price sensitivity and product expectations of customers due to an increased awareness, information share and global nature of business today. Two respondents mentioned the

current global economic downturn as having a negative impact. Two respondents mentioned that the relationship with suppliers is a challenge while 1 respondent mentioned that the organisational silo effect between departments in the organisation is hampering their performance. Two respondents felt that there is a lack of trust of corporations and brands by consumers that are proving to be a large challenge. One respondent mentioned that customer purchase frequency is decreasing and must be addressed.

4.3.6. Conclusions pertaining to Proposition 1

As seen in the sections above, the scope of marketing roles varies significantly between the 17 different marketing managers interviewed. The majority of the respondents expressed ownership of the promotional function of the organisation and has the most tasks listed. Promotional management is clearly the primary responsibility of marketing managers. The majority of respondents are limited to an advisory or supporting role in varying degrees within the rest of the marketing mix. The majority of respondents have an influential role in determining the market concept of the organisation but only small percentage are the considered to be the decision maker. The majority of respondents are fully responsible for leading their marketing teams. The scope of marketing strategy varies a lot between the different respondents. The scope ranges from a simple brand or communication plan to a complex and comprehensive marketing strategy. All the respondents felt that the current business environment presents many marketing issues. The majority of respondents mentioned the online and digital environment as a contemporary issue. The majority of these contemporary issues that were raised fall into the promotional element of marketing while there were minimal mentions of product, price, competitor, corporation and customer issues. A summary of these findings can be seen in figure 1 below:

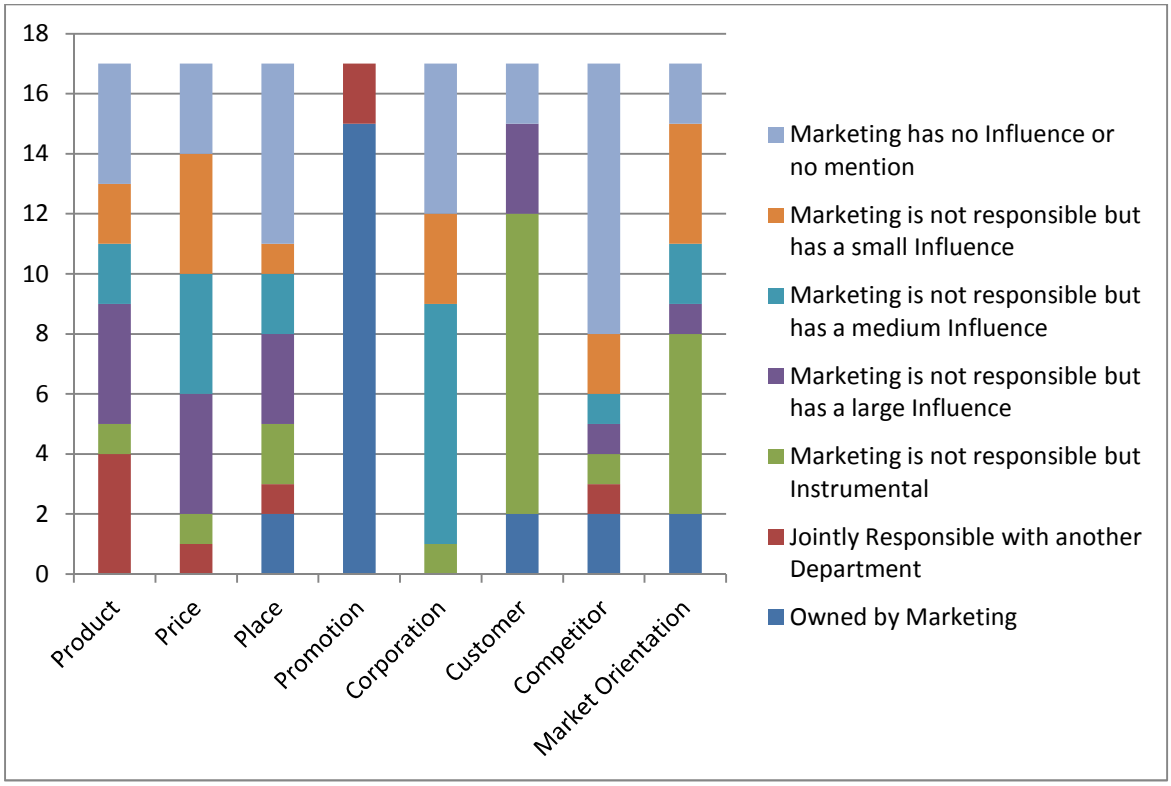

Figure 1: Marketing Managers Involvement in Marketing Roles

The figure above summaries the involvement, that marketing managers have in the different marketing roles covered by the literature review. Marketing strategy, marketing leadership and handling contemporary marketing issues are all omitted from this figure because it assumed that all the respondents will have some responsibility in these areas but the scope of these responsibilities vary too much to be compared to the roles included in the figure.

4.4. Results pertaining to Proposition 2

The objective of this proposition is to determine if the areas where marketing will most affect strategy formulation are producing mission, value and vision statements, choice of market concept, product and service offering, customer segmentation, price positioning, channel management, promotion management, competitor and market research and handling strategic contemporary issues and the relative importance of these roles.

This section uses the strategy formulation process that was depicted in the literature review to guide the presentation of roles, responsibilities and tasks in this chapter. The

strategic approach of the organisations is presented first and then the strategy formulation approach, contemporary issues and trends in strategic management, allocation of strategy formulation roles and finally the results of the rank-order questionnaire. Each of the roles and responsibilities depicted in Proposition 2 is covered under these headings.

It was found that the roles identified can be owned by marketing, key to marketing, marketing can have an instrumental role to play, a supportive role to play, a consultative role to play, marketing can have varying degrees of influence and involvement on the responsibilities identified or marketing has no involvement at all. Where possible the involvements of employees and departments outside of marketing have been mentioned to clarify where the responsibility lies.

4.4.1. Strategic Approach

Table 22: Strategic Approaches

Strategic Approach	Respondents
Entrepreneurial School	8
Design School	7
Planning School	6
Environmental school	4
Learning School	3
Positioning School	3
Cognitive School	3
Cultural School	2
Analytical School	1

When the respondents were shown the 10 Mintzberg approaches to strategy formulation, the majority of the respondents commented that their organisation uses a combination of these approaches to form their own business strategies. The entrepreneurial school had the most mentions with 8. The design school was mentioned 7 times, the planning school 6, the environmental school 4, the learning, positioning and cognitive schools all had 3 mentions, the cultural school had 2 mentions and the analytical school had one.

It is likely the entrepreneurial school had the most mentions because it is flexible and allows for innovation which many organisations are currently focusing on. The Design

school may be a popular school due to the fact that it is easy to conduct, understand and combine with other schools. The school of thought can be as a result of a purposive selection or can be categorised in hindsight. The respondents seemed to be able to identify the schools of their organisations in hindsight but none were the sole decision maker in this regard and none had purposively chosen and implemented an approach.

Table 23: Marketing Managers Involvement in the Adoption of Strategic Approach

Level of Involvement	Respondents
Owned by Marketing	0
Marketing is Instrumental at Organisational Level	3
Marketing has a large Influence at Business Unit Level	1
Marketing has a medium Influence at organisational Level	5
Marketing has a small Influence at organisational Level	4
Marketing has no Influence	4

Four of the respondents either could not pick out an approach or said that they are not involved with the process so they could not say. Four respondents have a small influence on the strategic approach at an organisational level. Five respondents have some influence on the decision maker. Three respondents are instrumental in deciding the strategic approach at an organisational level and 1 respondent at the business unit level.

It is assumed that if a respondent could not answer or did not understand a question that that person is not involved in that role and has no influence in the area of responsibility. Marketing managers that have a small or medium influence on the role typically do so by providing data or being delegated small to medium sized tasks that will influence the decision. Marketing managers that have a large or instrumental role in the decision, will conduct projects that affect the decision, decide what data is needed and who should conduct it and will be part of teams that make the actual decision.

4.4.1.1. Mission, Value and Vision Statements

Table 24: Statements on Mission, Value and Vision Statements

Level of Involvement	Respondents
Owned by Marketing	1
Marketing is not responsible but Instrumental	1
Marketing is not responsible but has a medium Influence	5
Marketing is not responsible but has a small Influence	3
Marketing has no Influence	4
Did not mention involvement in this area	3

Four respondents, form table 24 above, said that they have no role in developing the mission, value or vision statements of the organisation. Three respondents mentioned that they have a small influence on the decision makers which is either the CEO or the executive management team. Five respondents told how they have a medium influence on the mission, value and vision statements of the organisation. Their role here is to provide data, advice, drawing up the documentation, disseminate information, internal communication throughout the organisation and implementation of business strategies. One of these respondents explained that their role is to grow this area as the organisation becomes more customer focused. One respondent mentioned that they have equal responsibility for the mission, value and vision statements along with the rest of the executive board. Three respondents did not make mention to their involvement in this area. One respondent explained that he is the custodian of the mission, value and vision statements of the organisation and is instrumental in maintaining them. Many organisations have adapted these statements to fit their own specific needs but the purpose and importance stays the same. Many of the respondents mentioned that the tasks involved in developing these statements do not happen often and are changed rarely but assessment of these statements is critical.

4.4.1.2. Market Orientation Adoption

Table 25: Market Orientation Approach

Orientation	Respondents
Confused or Could Not Answer	4
Holistic Approach	3
Marketing Approach	3
Selling Approach	4
Production Approach	2
Product Approach	2

When the 17 respondents were asked about the market concept of the organisation, 4 of the respondents were either confused or could not answer, meaning that they have no involvement in this part of selecting the strategic approach. Three answered that their organisation follows a holistic approach, 3 said marketing approach, 3 said the selling approach, 2 said the production approach and 1 said product approach. One of the respondents said that their organisation's approach is a combination between the product and selling approach. The approach that organisations take to the market should be used to determine the corporate and business strategies of the organisation. Marketing managers and any other employees that are involved at this stage of strategy formulation will generally be involved in the later stages as well.

Table 26: Marketing Managers Involvement in Adoption of the Market Orientation

Level of Involvement	Respondents
Owned by Marketing	2
Marketing is not responsible but has a large Influence	6
Marketing is not responsible but has a medium Influence	1
Marketing is not responsible but has a small Influence	2
Marketing has no Influence	4
Did not mention involvement in this area	2

Five of the respondents said that they have no involvement in determining the market concept of the organisation. Of these 5 respondents, 3 mentioned that the CEO was the sole decision maker of the Market Concept. Two of the respondents mentioned that they have only a small influential on the decision maker of the market concept. While 6 respondents explained that they have a role to play in determining the market concept by having a large influence on the decision maker. Two respondents told how they are the decision maker of the market concept and 2 did not mention their involvement in the process. Six respondents explained that the organisation is in a transition phase and trying to be part of the transition.

4.4.2. The Strategy Formulation Process

Fourteen of the seventeen respondents said that the strategy formulation process should start with evaluating the landscape, forming business objectives and understanding the organisations capabilities, market, competitors and customers. One respondent mentioned that their strategy is a reactive process to the external environment only. Three respondents commented that the strategy of experimentation, learning and measuring results define the strategy formulation process in their organisations.

Three respondents explained how breaking down functional silo's within the organisation and connecting all the functional business areas is crucial to the strategy formulation process. This usually involves some form of internal communication and branding as well as creating information sharing platforms. Four respondents said that the process of forming business and corporate strategies is intuitive and visionary and determined by the CEO who has the authority to control and manipulate the process.

Four respondents commented that their organisations have no process in forming strategies but 1 mentioned that they are currently developing a corporate strategy forming process. Two of the respondents mentioned that the executive management team manages the strategy formulation process by delegating tasks throughout the organisation. Three respondents described a bottom-up process where lower levels of the organisation feed information and strategies to the higher levels of management that make strategic decisions and plans based on what is given to them. Four respondents described a top-down approach where high level strategies are formed and then the functional areas

convert this into their own departmental strategies. Two respondents described a process that combines both the bottom up and the top down approach.

Two respondents explained that strategy formulation occurs in their organisation by translating the strategies of external organisations, such as holding companies into the South African strategies. Four respondents rely on their planning processes to guide strategies. These planning cycles are quarterly, annual or rolling (3 to 5 year). Eight respondents said that all the business strategies are formed at an annual off-site meeting where selected management employees are invited. One respondent explained that all strategies are reliant on the long term product strategies due to the nature of the industry. One respondent explained their strategy formulation process was product-based because they focus on finding markets first which could be disrupted and then placing their innovative products there. Two respondents described their strategy formulation process as being flexible and fast. And, lastly, 2 described their organisations process as being "simple and basic".

Table 27: Marketing Managers involvement in Strategy Formulation Process Design

Level of Involvement	Respondents
Owned by Marketing	0
Marketing is Instrumental at Organisational Level	4
Marketing is Instrumental at Business Unit Level	2
Marketing has a medium Influence at organisational Level	4
Marketing has a medium Influence at Business Unit Level	1
Marketing has a small Influence at organisational Level	2
Marketing has no Influence	2
Did not mention involvement in this area	2

Due to the structure of the organisations, 2 respondents mentioned that each business unit has their own unique strategy formulation processes and the marketing role is an advisory function in the forming of these processes. Two respondents have a small influence when the organisation designs strategy formulation processes. One respondent has a medium role to play in designing the strategy formulation process at business unit level and 4 at organisational level, usually in an advisory capacity. Two respondents are instrumental in

developing the strategy formulation process at business unit level and 4 at organisational level. Two respondents have no influence in designing the strategy formulation process and 2 made no mention of their involvement.

One respondent mentioned that marketing will be the first department to design unique strategies, then the other functional areas will add to them and finally the finance function will approve and budgets will be added. One respondent explained that finance will decide on business focus areas and then all the other functional areas, including marketing, will design their own departmental strategies around the finance determined focus areas.

4.4.2.1. External and Internal Analysis

Table 28: Marketing Managers Involvement in External and Internal Analysis

Level of Involvement	Respondents
Owned by Marketing	0
Marketing is Instrumental and Jointly Responsible	8
Marketing has a medium Influence	7
Marketing has a small Influence	2

From Table 28, two respondents mentioned that they have some responsibilities when it comes to the external and internal analysis of the organisation. Two respondents described their organisations approach to external and internal analysis as 'loose or haphazard'. Six respondents mentioned that this type of analysis is driven by other departments, for example by Operations and Business Intelligence although Marketing is often called upon to contribute on an *ad hoc* basis. Eight respondents explained that all the different functional areas of the organisation are jointly responsible and expected to contribute to measurements for example: SWOT, Pestle, the balanced scorecard, the value chain analysis, competitor analysis or the performance dashboard. Five respondents mentioned that the marketing department only contribute basic metrics such as SWOT and Pestle at an organisation level. Four respondents said that they are responsible for tracking legislation and regulation changes that may affect the entire organisation. Five respondents perform their own unique set of dynamic and flexible internal and external analysis that the executive level management may use but often do not. Three

respondents are responsible for standard market research into areas such as market share, competitor's figures and insights. One of the marketing departments has an Insights team that is solely responsible for providing the organisation with external and internal analysis.

4.4.2.2. Strategic Frameworks

Table 29: Strategic Frameworks

Framework	Respondents
Use of Mission, Value, Vision and Core Purpose	5
Global Thinking, Technology and Innovation	5
Positioning and Differentiation	4
Cost Leadership	4
Customer-Centric	3
Market-Driven	2
Product Led	2
Employee Led	2

When asked about the strategic frameworks of the organisation, 5 respondents said that they use the mission, value, vision and core purpose to form the unique business strategies. Five respondents use a combination of global thinking, technology and innovation in order to find the business strategies. Four respondents use positioning and differentiation strategies, 3 use cost leadership, 3 a customer-centric approach and 2 follow the market-driven framework. 2 respondents have product-led and 2 have employee-led strategies in place.

Table 30: Marketing Managers Involvement in Selecting Strategic Frameworks

Level of Involvement	Respondents
Owned by Marketing	0
Influence the Marketing Department Only	1
Jointly Responsible	10
Marketing is not responsible but has a small Influence	3
Marketing has no Influence	3

In Table 28, 3 respondents explained that everyone in the organisation should contribute to seeking growth opportunities and the rest is intuitive. One respondent explained that each department must only contribute strategic frameworks to their own department and 3 respondents stated that they have no involvement in this area. Ten respondents felt they are jointly responsible for developing strategic frameworks by being part of the executive management team as part of a cross-functional team or by being responsible for breaking down functional silos in the organisation and cross-department collaboration.

4.4.2.3. Strategy Implementation and Measurement

Table 31: Marketing Managers Involvement in Strategy Implementation

Level of Involvement	Respondents
Owned by Marketing	0
Marketing is not responsible but Instrumental	5
Marketing is not responsible but has a large Influence	1
Marketing is not responsible but has a small Influence	5
Marketing has no Influence	4
Did not mention involvement in this area	2

In Table 29, 5 respondents told how they are a key player in driving strategy implementation across the organisation. One of these respondents explained that the marketing function is essential to strategy implementation because they are capable of applying strategies to different audiences, another said that marketing's importance in implementation is created by the organisational structure where in this case, marketing is the only centralised function and has responsibility within all the other decentralised functions. Four respondents mentioned that their role was to communicate the organisation's strategies across all the various functional areas. Six respondents commented that they are only responsible for strategy implementation in the marketing department. Five respondents have a small amount of cross functional responsibility in implanting the business strategies, particularly in the areas of cost reduction, logistics, motivation, training and internal branding. Two of these respondents remarked that their involvement was based on their own initiative and not delegated to them. Two respondents highlighted that implementation was the most difficult and important aspect of strategy

formulation and 1 mentioned that their organisation is extremely poor at it. Four respondents have no strategy implementation responsibility and 2 did not mention their role in the process.

Table 32: Strategy Monitoring Approaches

Strategy Monitoring	Respondents
Main Driver of Strategies	2
Ad Hoc, informal and Sporadic	5
Silo'd Measurements in Each Function	9

Two respondents told the interviewer that monitoring and control is the main driver of strategies in the organisation and it is an integral part of their organisational culture. One respondent described strategy monitoring as an integrated process across the entire organisation. Five respondents described the monitoring and feedback process as typically being *ad hoc*, driven by the CEO or executive management board. Nine respondents said that they are only responsible for monitoring and control within the marketing department. One respondent made no mention of monitoring and control processes.

4.4.3. Contemporary Issues and Trends in Strategic Management

Most of the contemporary issued mentioned by the respondents were in the area of promotions, for example: online and social media, message clutter and promotional costs. Some other marketing issues mentioned were: data analytics, marketing skill shortage and customer loyalty. There were also some current issues around strategy formulation mentioned, which were mainly in the area of customers, competitors, planning, globalisation, innovation and new technologies.

Table 33: Contemporary Strategy Issues and Trends

Issue or Trend	Respondents
New Technologies	5
Social Responsibility	4
Trend Analysis	3
Innovations	3
Shaping Culture	2
Global Research	2

In Table 5, five respondents mentioned that part of their job entails researching and implementing new technologies across the organisation. Two respondents mentioned that they research new technologies for products or services. Three respondents mentioned that are involved in trend analysis and 2 mentioned that they were involved in shaping the culture of the organisation. Two respondents mentioned how the global environment affects local strategy formulation.

One respondent mentioned that they have to show a large amount of innovation in growing certain customer groups. Four respondents mentioned their involvement in CSI/R or sustainability initiatives. Two respondents mentioned their role in bringing an innovative approach to all their responsibilities. One respondent mentioned that the Marketing department has an Innovations department responsible for developing innovation across the entire organisation. One respondent explained that they are responsible for innovations that will create barriers to entry in the industry.

Seven respondents mentioned that they have general management responsibilities across different departments within the organisation, part of this responsibility includes generating commercial opportunities, generating leads, business development, product management, metrics, managing the internal client experience, fixing organisational issues, change management, organisational structure and helping the organisation meet the business objectives such as EBITA, market share and sales growth.

Two respondents explained that they are often asked by the CEO to assist with different functional or geographical areas. Two respondents explained that they have to push hard on senior management in order to take on additional organisational responsibility. Two

respondents explained that it is crucial to participate outside of the marketing function in order to see the big picture and always takes on outstanding projects. One respondent explained that they are instrumental in strategic planning across the organisation. One respondent explained their strategic leadership role is important for focusing on the employees of the organisations by running staff events, training, induction and recruitment in different functions and locations. Four respondents explained that their strategic leadership role involved developing and managing key relationships with external relationships. Different tasks used to break down organisational silos were mentioned 7 times. One respondent described this role as being “the golden thread” throughout the department.

4.4.4. Allocation of Strategy Formulation Roles

Table 34: Allocation of Strategy Formulation Roles

Allocation Process	Respondents
Ad Hoc Allocation	5
Jointly Responsible	8
Allocated by Holding Company	2
Intuitive Process	2

Here 5 respondents mentioned that strategy formulation roles are allocated on an *ad hoc* basis by the Executive Board or CEO. Eight respondents said that all of the strategy formulation responsibilities are jointly owned by the executive management team and tasks are volunteered, sponsored or allocated to a specific person as a group based on experience or expertise. Two respondents said that the holding company allocates strategy formulating roles as they see fit. Two respondents explained that most strategy formulation tasks are allocated to the obvious functional area. If the allocation is not obvious these organisations will typically form cross-functional teams for the specific project. One respondent could not say who is involved due to their own lack of involvement in the process.

Table 35: Designations Involved in Strategy Formulation

Designation	Respondents
CEO	9
Marketing Manager	8
Finance Manager	5
Operations Manager	4
Chairman	1
Sales Manager	1

Nine respondents mentioned specific designations when asked about allocation of strategy formulation roles. All 9 mentioned the CEO and 1 mentioned the Chairman. Eight of the respondents mentioned themselves (Marketing Manager). Four mentioned an operations role such as Chief Operating Officer, Chief Executive Officer, Business Unit Manager or product level director. Five respondents mentioned a finance role such as Chief Financial Officer, Finance Director or Financial Manager and 1 respondent mentioned their Sales Director.

Table 36: Strategy Formulation Tasks of Marketing Managers

Strategy Formulation Task	Respondents
Communicating the Strategy	7
Ad Hoc and Dynamic	4
Social Responsibility	4
No Roles Allocated	3
Finding Growth Areas	3
Drive Implementation	3
Part of Internal Teams	2
Consultative	2
Provide Customer and Competitor Information	2
Handle Problems	1
Testing and Measurement	1
Brand Focus	1
Linking Product and Customers	1
Determine the Strategic Philosophies	1
Create Own Initiatives	1

From Table 36, three respondents specifically mentioned that they do not have any strategy formulation roles allocated to them. The 14 respondents that excluded themselves from the strategy formulation roles were asked to describe in their own words the roles that are allocated to them in this regard. Seven of them responded that they are responsible for communicating the strategy throughout the organisation. Four respondents described the role they play as dynamic, *ad hoc* and constantly changing based on the wishes of the CEO or the business needs and focus. Two respondents mentioned that they will either lead or participate in internal teams as part of their strategy formulation role. 2 respondents described their role as 'consultative' as they only get involved when needed. One respondent said that their role is to handle any problems or issues that arise. One respondent described their role as helping with the testing and measuring of the process. One respondent said that their role is to asses all the existing strategies with a customer lens. One respondent mentioned that their role is to bring the 'big picture', strategic views into the Marketing department. Four respondents mentioned that one of their roles in strategy formulation is to push CSI and social responsibility initiatives. One respondent mentioned that their role within the strategy formulation process is to strengthen the brand. Three respondents described their role as finding and assessing new growth areas, by product, service or geography. One respondent said that their role is determining how to package products and services to different audiences. One respondent described their strategic role as determining the strategic philosophies for the organisation. Two respondents said that their role is providing customer and competitor information to the strategy decision makers. Three respondents mentioned that their role is to drive strategy implementation within the process. One respondent said that they had to create their own initiatives and push them or they would not be involved in the process.

4.4.5. Rank-Order Questionnaire results

The respondents were asked to rate 15 marketing and strategy formulation responsibilities, identified from the literature review, out of 100 and rank them in order based on the importance to their job role. Respondents were given the opportunity to add extra roles that were not given; these roles are depicted in the tables by starting with the word "other".

The researcher found that the rating out of 100 and the order ranking of the responsibilities did not match each other for many of the respondents. When asked about this phenomenon, 7 respondents said that they allocated the rating on importance to their job role but the order-rank based on which role is performed first in the organisational processes. 1 respondent explained that they split the roles between insights and actions, with insights being ranked first and actions next. 2 respondents explained that their own customer research informed their priorities. The rating given to each role by all the respondents was then averaged and presented in this table. Since respondents rated each role independently out of 100, the deviation between the different roles can be analysed. Roles that the respondent is not involved in were given a 0 rating Because of the different approaches that these respondents took to rating and ranking the roles, two different tables are presented below:

Table 37: Roles ranked by rating of Importance

Ranking	TASK	Average
1	Development and integration of the overall marketing strategy	**93.82**
2	Selection and assessment of the promotional strategy including branding, advertising , direct selling, sales promotion, PR etc.	**84.59**
3	Leadership	**81.94**
4	Business strategy implementation and alignment of different business unit strategies	**77.59**
5	Market and customer segmentation	**77.53**
6	Customer satisfaction and understanding	**77.18**
7	Selection and assessment of the online and digital strategy of the organisation	**73.82**
8	Choice and assessment of the orientation towards the market (e.g. production, product, selling, marketing , holistic concepts)	**68.76**
9	Competitor and market research	**64.29**
10	Producing and assessing the relevance of the Mission, Value and Vision Statements	**61.18**

11	Selection and assessment of the product and service offering and management of new product development	**59.71**
12	Develop organisational insight into contemporary business and marketing issues such as globalisation, new technology and Innovation	**59.12**
13	Selection and assessment of the distribution strategy	**52.29**
14	Selection and assessment of the pricing strategy	**47.29**
15	Assessment of the overall efficiency, productivity and profitability of the organisation	**47.29**
16	Other: Internal people focus such as branding, training, developing specialist skills, internal communication, incentives and motivation	**23.24**
17	Other: Measurement of marketing campaigns and marketing metrics	**17.41**
18	Other: Brand Building	**11.76**
19	Other: Relationship with external organisations, relationship marketing and eventing	**11.53**
20	Other: CSI and corporate social responsibility	**5.88**
21	Other: Risk analysis such as market and financial risk	**4.71**

Table 38: Roles ranked by Order

Rank	Task	Average
1	Development and integration of the overall marketing strategy	**3.59**
2	Leadership	**4.29**
3	Business strategy implementation and alignment of different business unit strategies	**6.24**

4	Selection and assessment of the promotional strategy including branding, advertising , direct selling, sales promotion, PR etc.	**6.82**
5	Market and customer segmentation	**6.94**
6	Customer satisfaction and understanding	**7.18**
7	Producing and assessing the relevance of the Mission, Value and Vision Statements	**8.47**
8	Competitor and market research	**9.12**
9	Choice and assessment of the orientation towards the market (e.g. Production, product, selling, marketing , holistic concepts)	**9.18**
10	Selection and assessment of the online and digital strategy of the organisation	**9.47**
11	Develop organisational insight into contemporary business and marketing issues such as globalisation, new technology and Innovation	**9.94**
12	Selection and assessment of the product and service offering and management of new product development	**10.76**
13	Assessment of the overall efficiency, productivity and profitability of the organisation	**11.24**
14	Selection and assessment of the distribution strategy	**11.47**
15	Selection and assessment of the pricing strategy	**12.06**
16	Other: Internal people focus such as branding, training, developing specialist skills, internal communication, incentives and motivation	**14.94**
17	Other: Brand Building	**16.35**
18	Other: Measurement of marketing campaigns and marketing metrics	**17.00**
19	Other: Risk analysis such as market and financial Risk	**17.12**

20	Other: CSI and Corporate Social Responsibility	**17.24**
21	Other: Relationship with external organisations, relationship marketing and eventing	**17.29**

The above table (38) shows the average ranking of the roles by the 17 respondents. The roles were order ranked by the respondents either by its position in organisational processes, by relative importance to the organisation or by relative importance to respondents' job role.

4.4.6. Conclusion Pertaining to Proposal 2

From the data presented in this chapter, it can be seen that the different marketing managers affect strategy formulation by being responsible for different tasks and roles with various involvement levels. Some of the marketing mangers contribute to business or corporate strategy by providing critical data and analysis to executive management without knowing it. Some of the marketing managers contribute to business and corporate strategies by being part of an executive management team regardless of their association to marketing. The figure below depicts the involvement of marketing managers in the strategy formulation process:

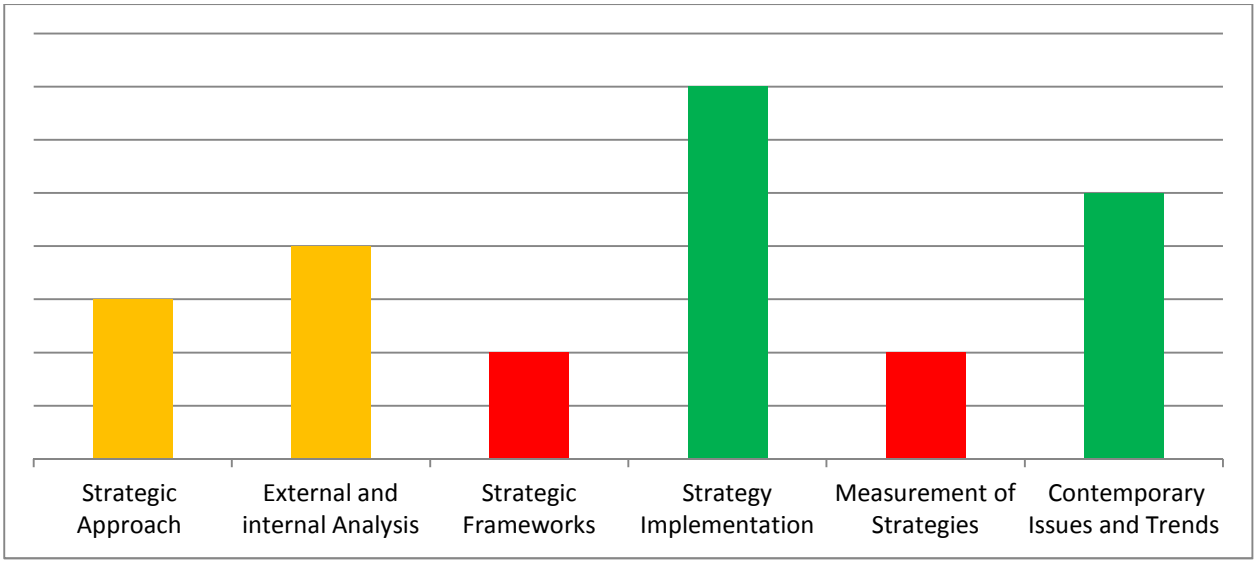

Figure 2: Marketing Managers Involvement in Strategy Formulation Roles

The figure above is constructed by the author using the summated data. The columns in red represent roles that marketing have a low involvement, orange represents a medium involvement and green represents a high involvement.

Most respondents have some sort of involvement in deciding what the strategic approach of the organisation should be. Very few respondents are considered to be one of the main decision makers of the strategic approach which includes the vision, mission, value statements and the market concept. The strategy formulation processes described by the respondents were fairly structured and broad. The respondents typically have some sort of involvement in designing the strategy formulation process but do not have the final decision. The external and internal analysis seems to be performed jointly across the entire organisation which will include the marketing department. The marketing managers interviewed currently have a low involvement determining which strategic frameworks are adopted by the organisation. Since many of these organisations are becoming more customer-focused, the marketing managers' responsibility in strategic frameworks should naturally increase, as the custodian of the customer. The respondents have the highest responsibility for strategy implementation. The strategy measurement responsibility is high within the marketing department but not across different functions.

Most of the current strategic issues handled by the respondents revolve around new technology and customer understanding. These are considered to be marketing as well as organisational issues and hence the marketing managers high involvement. To a lesser degree, there is some involvement in innovations, social responsibility, strategic leadership and understanding the global environment.

Most of the respondents described the process of allocating strategy formulation roles as *ad hoc* or informal. Most of the respondents that have strategy formulation roles have been allocated them as part of a senior management team. The CEO is mentioned the most as being responsible for the business and corporate strategies of the organisation. The most common task described by respondents in cross-functional strategy formulation roles is one of communicating the strategy throughout the organisation. The two tables above (37 and 38) depicted the relative importance attached to each marketing and strategy formulation role as per the rank-order question posed to the respondents.

4.5. Summary of the results

The marketing managers that were interviewed have various different designations, experience and tenures. The organisations that the respondents represent were purposively picked from various different industries but are all considered large and operate in the B2C environment. The results from the research confirm that marketing managers in South Africa are involved in the various traditional marketing areas as well as the strategy formulation roles of the organisation. The scope and level of marketing and strategy formulation roles vary between the different organisations as well as the level of involvement of the marketing manager. The rank-order tables depict the priority of the marketing and strategy roles according to the respondents themselves.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1. Introduction

The research seeks to identify the roles of marketing managers and also to determine which of these roles form part of the strategy formulation process, to what extent these roles affect strategy formulation and the relative importance of the identified roles. This chapter discusses the results from the face-to-face open-ended interview questions as well as one rank-order question.

The chapter first explains the demographic profiles of the organisations interviewed including industry, size, marketing department structure, reporting structures, designations interviewed and background and why the selected organisations were chosen using the purposive sampling method. The results pertaining to proposition 1 and then 2 are then discussed and explained using the same structure and themes determined in chapter 4. The purpose of this chapter is to interpret the results that were presented in Chapter 4 with the use of the literature review presented in Chapter 2.

5.2. Demographic profile of respondents

In order to optimise the insight gained from the research, a variety of respondents were sought from diverse organisations using the purposive sampling technique. All of the respondents work for large organisations in South Africa. Since the research is not restricted to one industry, a spread of 12 different industries was obtained. All of the organisations are involved in a B2C marketing environment by marketing to consumers. All of the organisations represented are considered to be well-known brands and are currently market leaders in their industry. Due to the performance, size and brand recognition, these organisations can be considered role models to many other organisations and marketing departments in South Africa.

The spread of industries would have had an effect on the results of the research. Industry norms often affect organisational structure, strategies and responsibilities. The type of industry as well as position in the value chain will affect the structure of the marketing department, product and service offer, roles of the marketing department, pricing methods,

promotional activities and distribution. The Banking, Insurance, Financial Services, Air Travel and Healthcare organisations offer a service-based product but with a large infrastructure. All of these industries market directly to consumers and provide the service themselves. The snacks, consumer electronics and agriculture organisations market direct to consumers but require a retailer to sell the product to the consumer. The retailers and fast food organisations sell directly to the consumer but rely heavily on their suppliers for product related tasks. The organisations that market directly to consumers but require a retailer to sell on their behalf often have a trade marketing responsibility and focus more on brand building. The organisations that market to and sell to consumers may still have a strong brand approach but may have to focus on a service or customer-based marking approach.

The size and structure of the organisation will also affect the research to a small degree. The research represents a large spread of organisational size and structure in the country. The largest organisation is the largest employee in the country with 50 000 employees. The smallest organisations has 350 employees which is still considered a large organisation (South Africa, act Number 102 of 1996). Obviously the structure, functioning, procedures and employee responsibilities will differ greatly between these different sized organisations. The smallest organisation of 350 people has a marketing department of 12 people which shows that size of organisation does influence size of marketing department but is not the only factor. The size of marketing department varies greatly and can be influenced by many factors such as CEO style, organisational structure, marketing approach of the organisation, number of outsourced roles and organisational age and position in the life cycle. The larger organisations that have split their operational departments into autonomous business units often have decentralised marketing departments which often means that marketing has a lesser role in corporate strategies but larger influence in business strategies (unless the marketing manager has an organisational level title of Director). These organisations often operate a matrix style structure across all the functional areas. The smaller marketing departments do not necessarily have extra responsibilities assigned per person. These marketing departments often manage a large amount of agencies or outside consultants or have had marketing elements removed from the marketing department as stand-alone functions (e.g. logistics, pricing, merchandising and product management).

The personal demographics of the respondents were not measured, nor were their tenures, years of experience, education or previous roles. All of the respondents are the most senior marketing employee of the organisation for the South African operation. This marketing employee has been placed at different levels within the organisational hierarchy, with organisational structure being the main determinant. The respondents that are directors at organisational level often have less influence on business strategies but more influence at business unit level and visa-versa for the business unit directors. The employees that are not directors do not necessarily have less responsibility than the directors or executives. This is again often due to organisational size, organisational structure, reporting structure and tenure with the organisation. The different designations and reporting structures are presented in Chapter 4.

5.3. Discussion pertaining to Proposition 1

This research shows that the responsibilities of marketing managers in South Africa do include the roles of Product Management, Pricing Management, Distribution Management, and Promotion of the Organisation, Corporation Understanding, Customer Management, Competitor and Market Research, Adoption of the Market Concept, Leadership, Marketing Strategy, and Managing Contemporary Marketing Issues. The research also shows that organisations are trying to include different functions in each role. Kotler and Keller (2009) explain the scope of marketing using the marketing mix, the marketing concept, marketing strategy and marketing leadership, which form the structure of this chapter. This research expands on the explanation of Kotler, Keller and other academics. Chapter 4 shows that the involvement of marketing in the identified areas can be in varying degrees by being responsible for tasks that fall under these responsibilities without official ownership or acknowledgement. The level of responsibility and tasks mentioned under each marketing role was summated and described in Chapter 4 and will now be explained using the same structure.

5.3.1. The Marketing Mix

Although all of the respondents feel that they have a large involvement in the full scope of the marketing mix, the research shows that this is not the case. The promotional aspect of the marketing mix dominates the responsibilities given to the marketing departments. Although many marketing managers have involvement in the others areas of the marketing mix, none are held fully accountable for the entire scope of the marketing mix which is contradictory to the literature (Borden, 1964), (Ohmae, 1982), (Grönroos, 1994), (Goi, 2009), (Kotler and Keller, 2009).

5.3.1.1. Product Management

None of the marketing managers were found to exclusively own the product management responsibility in the organisation. In many cases the product management role has been separated out of the marketing department. Many of the marketing managers have been given roles that do impact on the product management function even though they do not own it. The majority of this influence is as a result of the marketing manager conducting market and customer research and can therefore provide the decision maker with product insight. Providing insights is not mentioned in the Literature Review under product management but 47% (8/17) of the respondents feel that this role does contribute to new product development and should be included in product management (Piercy, 1986). Eighteen percent (3/17) of respondents specifically mentioned their involvement in new product development and a further 41% (7/17) are involved in product management by being part of product innovation, positioning, differentiation, packaging, research and development or linking product to customer (Piercy, 1986) (Stoelhorst and Van Raaij, 2004).

Selection and assessment of the product and service offering and management of new product development scored 59.71 out of 100 in the rating table and ranked 12th out of 15 on the ranking table of the rank-order questionnaire. These results correlate well with the open ended questions where product management roles are generally not allocated to the marketing department. It can be concluded that marketing managers in South Africa have a medium level involvement in product management but can influence the decision makers with their insights and information.

5.3.1.2. Pricing Management

None of the respondents exclusively own the pricing function as suggested by Tansuhaj et al. (1988). Although 1 respondent said that he/she owns the function jointly with Operations. In most cases, the pricing function has been allocated to another functional department, for example Merchandising, Finance or Product Management. Many of the marketing managers have been given roles that do have an impact on the pricing management function even though they do not own it. 24% of respondents said that their influence is as a result of the marketing manager conducting market and customer research and can therefore provide the decision maker with pricing comparisons or customer expectations and perceptions. conducting market and customer research is not mentioned in the Literature Review under the pricing management section but can contribute to discounting and supplier negotiations (Piercy, 1986). The areas that marketing managers do influence the decision maker are in the areas of price positioning against competitors, managing input costs and differentiated pricing, none of which are mentioned in the literature reviewed.

Selection and assessment of the pricing strategy scored 47.29 out of 100 in the rating table and ranked last (15th out of 15) on the ranking table of the rank-order questionnaire. These results are well correlated to the open ended questions where pricing management roles are generally not allocated to the Marketing department. It can be concluded that marketing managers in South Africa have a low level of involvement in pricing management but can influence the decision makers with research and data. The lack of involvement of marketing managers in pricing management can be a result of different factors, such as a trend towards specialisation, the weakening perceptions of marketers or from the complexity of pricing methodologies used in business today.

5.3.1.3. Distribution (Place) Management

As seen earlier, two of the respondents own the distribution function and 1 respondent co-owns the function with the Sales department. In the other cases, the distribution function has been allocated to another functional department for example Sales, Operations or Product Management. Many of the marketing managers have been given roles that do have an impact on the distribution management function even though they do not own it.

Eighteen percent mentioned providing data and advice to the relevant decision maker as well as liaising with external distribution partners and promoting new store openings. 12% of respondents mentioned that they have some responsibility in reducing distribution costs and 18% for trade marketing. These tasks were mentioned by Piercy as marketing roles (1986).

Selection and assessment of the distribution strategy scored a rating of 52.29 out of 100 in the rating table and ranked 14th out of 15 on the ranking table of the rank-order questionnaire. These results are closely correlated to the open-ended questions where distribution management roles are generally not allocated to the marketing department. It can be concluded that marketing managers in South Africa seem to either own the function (18% of respondents) or have little to no influence. The lack of involvement of marketing managers in distribution management can be a result of different factors such as a trend towards specialisation, the functional silo effect in large organisations, the weakening perceptions of marketers or from the complexity of logistics involved in modern distribution management.

5.3.1.4. Promotion Management

Although 15 of the respondents fully own the promotion function of the organisation and 2 co-own it, the scope of promotion in these organisations is often smaller than the scope depicted in the literature. 82% of respondents mentioned their responsibility in advertising (Piercy, 1986), (Tansuhaj et al., 1988), (Cowan, 1993), (Moorman and Rust, 1999), (Stuart, 2010). 76% of the respondents said that they are responsible for the brand strategy and management which includes building trust, brand architecture and positioning, insights, research, measurement, trade mark management, corporate identity and creating awareness that is aligned to the marketing responsibilities as mentioned by Tansuhaj et al, Carpenter et al (1988) and Aaker (2008). 59% of the marketing managers are responsible for PR and sponsorships considered by Cowan (1993) and Aaker (2008) to be a marketing role.. 24% of the marketing managers are responsible for personal selling mentioned as a marketing responsibility by Piercy (1986) and Tansuhaj et al (1988). Direct and Trade marketing were not mentioned at all (Cowan, 1993). 24% of marketing managers develop the sales promotion and 41% develop point of sale promotions for the organisation as per Stuart (2010). Within all of these promotional

responsibilities there are many roles that were mentioned by the respondents for example media selection, internal design and production which would form part of advertising in IMC (Stuart, 2010). The literature did not mention co-marketing, eventing, experiential marketing, agency management or promotion budget management, all of which were mentioned by the respondents. The marketing manager will often split the promotional roles to form sub-departments or teams within the Marketing department where these roles are usually given to specialists in that field.

Selection and assessment of the promotional strategy including branding, advertising, direct selling, sales promotion, PR etc. scored 84.59 out of 100 in the rating table and ranked 4th out of 15 roles in the ranking table of the rank-order questionnaire. The rank-order response to promotion management is strongly correlated to the open-ended questionnaire where the majority of responsibilities lie for marketing managers. This is certainly the area where marketing managers have the most impact for the organisation. Most marketing managers are expected to design the promotional mix and decide on the elements that are to be included and the importance of each. However, there are some organisations that separate some of the promotional elements out of the marketing department, for example communication, branding and direct selling. Promotion Management is seen as the specialisation area of marketing managers and hence the large responsibility given to marketing managers in this area. The terms marketing and promotion are often confused and incorrectly used interchangeably which has influenced the current negative perception of marketers where marketing managers are seen to only possess “soft skills” and not capable of managing complex areas of the business.

5.3.1.5. Corporation, Customer and Competitor Understanding

Many respondents expressed confusion when answering questions about corporation, customer and competitor understanding. ‘Corporation understanding’ caused the most confusion. Most organisations operate in departments or silos and cross-functional correspondence and influence is low. Most of the organisations do not have a formal customer service or customer understanding department and is just seen as a concept with no ownership from managers/leadership. A similar problem was found with competitor tracking, where no formal processes or ownership could be described by most respondents.

Most of the respondents mentioned that their organisations suffer from a silo problem. 59% of respondents did however mention their involvement in breaking down the organisational silos, with different success rates (French et al., 2011). Only one organisation mentioned the constant use of cross-functional teams arranged at group level to break down silos and only 18% of the others have formally been given roles that cut across all the different business units and functional teams. Twenty-nine percent of respondents said that they play a role in selling different products to the same customer which links the corporation and customer responsibility and can be considered sales or business development as well. Assessment of the overall efficiency, productivity and profitability of the organisation scored 47.29 out of 100 on the rating table and ranked 13th out of 15 on the ranking table. The rank-order results correlate with the open-ended questions where the cross organisational involvement is low. The reason for this can be as a result of organisational structure or the silo effect or a controlling CEO.

Only 2 of the Marketing departments have formal customer teams but a further 59% of respondents have an instrumental role in bringing the customer into the workings of the business and a further 29% have a medium or large influence on customer decisions. 29% mentioned that they are responsible for loyalty or CRM initiatives. These initiatives can be intensely reliant on technology but must be based on a strong customer strategy (Brown et al., 2005). Customer segmentation is critical to any marketing effort but only 18% of respondents mentioned this as one of their tasks (Wind and Robertson, 1983). 41% of respondents do perform customer analytics that influence their marketing strategies (Homburg et al., 2000). 24% of respondents mentioned that one of their roles is relationship marketing which is not mentioned in the literature. Customer satisfaction and understanding, scored 77.18 out of 100 on the rating table and ranked 6th in the ranking table. Market and customer segmentation scored 77.53 out of 100 on the rating table and ranked 5th in the ranking table. The rank-order results are correlated to the open-ended questions. The open-ended question results suggest that customer is the second most important responsibility behind promotion and the customer roles scored 7.4% and 7.06% lower in the rating table and 1 place lower in the ranking table.

Strangely enough, 59% of respondents did not mention their involvement in customer tracking. This may because it is considered a taboo subject in business or because there is no formal procedure in the organisation. Two of the respondents mentioned that they

own the customer tracking responsibility (Wind and Robertson, 1983). Competitor and market research scored 77.53 out of 100 on the rating table and ranked 9th out of 15 on the ranking table. Although this is a largely inconclusive area in the research, competitor tracking must be one of the main development areas for the organisations researched. A formal competitor tracking process is essential to a comprehensive marketing and branding plan.

Forty-one percent of respondents mentioned that they are not formally responsible for the "3Cs" of marketing but do conduct market research which often overlap into the area. 29% of respondents mentioned general stakeholder relationship management under the "3Cs" concept. One respondent is responsible for an Insights team within the marketing department that conducts different research, converts the data into insights and communicates it to the relevant person in the organisation. The success of this method raises the question why more organisations do not follow suite.

5.3.2. Market Orientation Adoption

Moorman and Rust (1999) explain that deciding on the market orientation and implementing it is the most important task of a marketing manager but only 12% of the respondents own this task and a further 35% have a large influence on it. It seems that CEOs have realised the importance of this role and have mostly taken the decision into their own office or it is decided as a collective by the executive management team. The holistic and marketing approaches are usually present in organisations where marketing is at the centre of strategy formulation. 31% of the respondents chose one of these approaches. An interesting observation was that the majority of respondents mentioned that orientation is in the process of changing and that they were involved in the shift. This demonstrates the ambition of the marketing managers to influence the strategic direction of the organisation with a marketing perspective but does not prove that this is what is happening. Choice and assessment of the orientation towards the market (EG: Production, product, selling, marketing, holistic concepts), scored 68.76 out of 100 on the rating table and ranked 9th out of 15 on the ranking table.

5.3.3. Marketing Strategy

Since all of the respondents are employed as the Head of Marketing for the organisation, all of them claim to be responsible for the entire marketing strategy. The scope of the marketing strategy does vary between the different organisations. The marketing strategy section was analysed in Chapter 4 by summing up the respondents that own different elements of the marketing mix. None of the respondents own 3 or more elements of the marketing mix but 53% own 2 and 24% fully own the promotional mix only. The rest of the respondents, marketing strategies will only include some of the elements within the promotional strategy. Development and integration of the overall marketing strategy scored 93.82% out of 100 in the rating table and ranked 1st in the ranking table. This result is in line with the open-ended question but the problem in comparing this role to the others is the differences in the scope of what is involved in this task where all the other tasks generally have a specific scope set. The marketing managers that have a comprehensive marketing strategy may have given this a high ranking as did a marketing manager that has a very limited scope.

Forty-one percent of respondents described an analytical approach taken to their marketing strategy which is in line with the current marketing trends found by recent research (Iwata, 2011). 29% described internal focus and influence as their approach to marketing as documented by French et al (2011). 24% have implemented a customer approach to marketing (Moorman and Rust, 1999). The other approaches not mentioned in the literature revolve around promotion, branding, experimentation and alignment to organisation.

5.3.4. Marketing Leadership

82% of respondents mentioned their responsibility in the general management of the Marketing department as their primary leadership role. These are the basic management roles expected of any departmental head (Piercy, 1986), (Tansuhaj et al., 1988), (Kotler and Andreasen, 1991), (Cowan, 1993), (Melaia et al., 2008). Fifty three percent of respondents are responsible for change management and departmental structure. 29% of respondents fulfil the additional roles of designing marketing metrics, competitor tracking and sales tracking. 18% of respondents mentioned managing the marketing budget as a

leadership role. The responsibilities that were mentioned by respondents under marketing leadership but not the literature are developing business skills, translating business objectives into marketing tasks, competitor understanding and managing key organisational relationships (Asperger et al., 2002), (Nath and Mahajan, 2008). Leadership scored 81.94% out of 100 on the rating table and ranked 2nd on the ranking table. This is aligned with the open-ended questions where leadership of the department was mentioned by most respondents.

5.3.5. Managing Contemporary Marketing Issues and Trends

New online technologies are dominating contemporary marketing issues with 59% mentioning the general online and digital environment (Goldsmith, 2004). 71% mentioned social media specifically (Ferguson, 2008). 47% of respondents mentioned that they are the person responsible for all online activity in their organisation. The biggest challenge that respondents are finding with these mediums is the 2-way communication required. 2-way communication with customers presents many threats such as online reputation management as well as many opportunities such as learning about your customers. There seemed to be many different views on the topic, some feel that social media is totally changing the way business is conducted and others feel that it is just a fad. There is a definite wait and see attitude towards the online trend as one respondent said:

> "None of the technologies are developed enough to extract value so it is just a distraction at this point".

The main concern is the pace of change and anticipating the effect that change will have on the organisation (Edelman, 2010). Marketing managers can have a massive influence on organisational strategy if they can take full responsibility for the online and digital strategy of the organisation. These technologies can significantly help marketing managers understand customer behaviour, improve service and perceptions and increase sales (Carlson and O'Cass, 2010).

New technology has also created opportunity for marketing managers to conduct more analysis than ever before. 53% of respondents mentioned issues related to "big data" as an opportunity but also a challenge (Iwata, 2011). Marketers can now further understand

the market, the customers and competitors using different forms of data technology. New technologies in other industries have had an effect on the marketing manager as well. The advancement in advertising media has 35% of the Marketing managers confused as to where to direct their shrinking advertising budgets.

Twenty-four percent of respondents mentioned that they monitor global, macro and social changes which speaks to the work of Goldsmith (2004) that predicted that the biggest challenges to marketers would be globalisation, personalisation and new technology. The globalisation aspect is affecting marketing managers in terms of product quality, price knowledge and sensitivity of consumers, increased competition, the global economic downturn and global skills shortages. The personalisation and new technology aspect has manifested in the online environment as discussed but the personalisation of products, services and communication was not mentioned by any of the respondents as a contemporary marketing issue. Complex consumer handling processes was not mentioned by any respondents either. 29% of the respondents have ownership of the loyalty or CRM function and 24% ensure that the organisation is socially responsible (Abratt and Sacks, 1988); (Payne and Frow, 2005); (Aaker, 2008). Hence, the marketing manager can have a massive effect on the internal culture of the organisation by owning customer loyalty and social responsibility as these are areas that every employee has a responsibility (Homburg et al., 2000).

Develop organisational insight into contemporary business and marketing issues such as globalisation, new technology and Innovation, scored 59.12 out of 100 on the rating table and ranked 11th of 15th on the ranking table. The respondents showed a lot of comfort and passion in answering the open-ended questions on the topic but did not see this as a priority on the rank-order question. Issues such as social media and big data have gotten a lot of publicity lately and marketing managers may be feeling a lot of pressure to deal these issues but clearly do not think them to be as important as the hype suggests.

5.3.6. Conclusions pertaining to Proposition 1

Proposition 1 was designed to test the scope of responsibility of marketing managers in South Africa. The research proved that marketing managers in South Africa are involved in all of these responsibilities but in varying degrees. Therefore, marketing managers can segment their scope of responsibilities into owned and influenced. Promotional management is where Marketing managers have the most responsibility followed by marketing strategy, marketing leadership, customer understanding, contemporary marketing issues and competitor understanding. The roles of product management, pricing management, distribution management, market orientation and corporation understanding are all included in the scope of marketing but had the least tasks mentions, scored low and were also ranked low in the rank-order tables. Many of the responsibilities mentioned do not have a designated person responsible or have formal processes within the organisation. When this situation arises, the responsibility often falls to an individual with a long tenure in the organisation, a person with previous experience in the area, a volunteer or to a strong personality to take ownership.

Some marketing managers may find it challenging to retain their current portfolio of responsibilities and take on other responsibilities. The opportunities to expand the marketing portfolio, in most organisations without necessarily adding resource, exist in the roles of the “3C’s” where most organisations have not allocated specific individuals to the roles of competitor, customer and corporation understanding. The contemporary issues and trends of “big data” and social media and technology both offer opportunities for marketing managers. Marketing managers will need to find ways to develop these across the business in order to empower them in different business functions.

5.4. Discussion pertaining to Proposition 2

The research proves the involvement of marketing managers in the strategy formulation roles listed above. The research shows that the involvement of marketing managers in the different strategy formulation roles can vary significantly between different organisations and can be categorised into ownership and varying levels of influence. Chapter 4 presented the varying levels of involvement of marketing managers in the strategy formulation process and will now be discussed using the same structure.

5.4.1. Strategic approach

The overall strategic approach of the organisation is an extremely important decision. 24% of the marketing managers interviewed do not have any say in this decision, 53% have influence and 24% are instrumental to the decision as part of an executive team. Although 76% of respondents picked and could label the schools from the flashcard, none of the respondents seem to use any of these approaches to strategy. The entrepreneurial approach had the most mentions, since this is defined as a visionary approach, most organisations would have shown this in the initial stages of the company life cycle and respondents have not noticed the change or the organisation has not changed with their movement along the life cycle. The design school is an interesting approach mentioned by 41% of respondents since this uses a resource-based strategy formulation process. None of the respondents showed a large involvement in resource allocation or mentioned the resource-based view in the strategic frameworks section. Since the research targeted large organisations, it is no surprise that the planning school ranked highly due to its formal process (Mintzberg et al., 1999).

5.4.1.1. Mission, Value and Vision Statements

Many respondents explained that understanding the organisation's identity, core values and goals help to design business and functional strategies. The identity, values and goals of the organisation are represented in the Mission, Value and Vision Statements of the organisation which are consequently extremely important in guiding strategy formulation. These statements will affect all of the functional areas in the organisation and best practise would be to involve all of these areas in the inception of the statements but 24% of respondents have no involvement at all. 47% have an influence on these statements when they come up for review and just 12% are instrumental in the development of these statements. None of the respondents distinguished different roles within the different statements but some of the organisations have different names and scope of statements (Chun and Davies, 2001), (Collis and Rukstad, 2008). The organisational statements are present in most organisations and it is rare to adjust them.

Producing and assessing the relevance of the Mission, Value and Vision Statements scored 61.18 out of 100 on the rating table and ranked 7th out of 15 on the ranking table.

Some respondents had trouble in deciding the importance of this responsibility as it does not happen often. One respondent overcame this difficulty by describing their role as being the custodian of the statements across the entire organisation. The CEO and executive management teams are generally the decision makers and own this responsibility so the respondents that are represented on management boards seemed to have the most influence in this regard.

5.4.1.2. Market Orientation Adoption

The orientation towards the market will have the biggest influence on the marketing department, marketing strategy and organisational approach, hence, according to Moorman and Rust (1999), the marketing manager should own this role. In contrast to this, the research found that only 12% of the respondents own this task and only 35% have a strong influence.

It seems that CEO's have realised the impact that the market orientation has on the entire organisation and have mostly taken the decision in to their own office or it is decided as a collective by the Executive Management team. There was interestingly a fairly even spread of orientations used by the different organisations. Another interesting observation was that the majority of respondents mentioned that orientation is in the process of changing and that they were involved in the shift. This demonstrates that the ambition of marketing managers is to influence the strategic direction of the organisation with marketing perspective but this does not prove that this is happening. Choice and assessment of the orientation towards the market (EG: Production, product, selling, marketing, holistic concepts), scored 68.76 out of 100 on the rating table and ranked 9th out of 15 on the ranking table. Many of the marketing managers do not understand the importance of this step in the strategy formulation process and that by being excluded in the decision will impact their inclusion in the later stages. This responsibility is one of the major overlapping roles of marketing management and strategy formulation according to the literature. This overlap does not seem to be translating into reality as most marketing managers are not prioritising it highly amongst their tasks or being given the decision by senior management.

5.4.2. The Strategy Formulation Process

The respondents all had strong opinion and business acumen as to how the strategy formulation process should be designed in their organisations. There were many obstacles to developing effective strategy formulation processes mentioned, for example: organisational silos, the agency problem, over-controlling CEO's, haphazard processes and communication and implementation issues. All of the respondents could explain the high level strategy formulation processes and timeframes in the organisation. The director level Marketing managers typically have more responsibility in designing the strategy formulation process but 41% do have some form of influence on the process used (Mintzberg et al., 1999).

5.4.2.1. External and Internal Analysis

Although most respondents claim to have some involvement conducting internal and external analysis on behalf of the organisation, very few could pinpoint specific roles either included or excluded from their responsibility. This may be due to the haphazard or *ad hoc* nature by which 24% of the organisations conduct this type of research and because 35% of the respondents assist other departments (Sveiby, 2001), (Grant, 2009). Due to the Silo-ed nature of some organisations, many tools are duplicated and not communicated adequately communicated or used in strategy formulation. Many of the respondents perform internal and external analysis for their department only which may or may not be used at a senior level. There was no mention of industry analysis or competitive advantage assessment within internal and external analysis (Porter, 1988). Although all of the respondents mentioned being responsible for various types of research and analysis, only one described a formal internal and external analysis function and has a significant contribution to it.

5.4.2.2. Strategic Frameworks

Forming the unique strategies of the organisation is the main focus of the strategy formulation process. Using a combination of proven strategic frameworks is the most common way to form business and corporate strategies. Forming these strategies can

require informal processes and conversations and 59% of respondents felt that they have contributed to this (Mintzberg, 1978), (Mintzberg, 1994).

Forty-one percent of respondents picked the design school as one of their approaches to strategy but none of the respondents mentioned the resource-based view (RBV) as one of their strategic frameworks (Wernerfelt, 1984). 24% of respondents use positioning and differentiation frameworks from the 35% that use that positioning school as their approach. Eighteen percent of respondents use the market-driven framework, 18%, the customer-centric and another 18% use a cost leadership strategy (Porter, 1980), (Coughlan et al., 2002), (Carrillat et al., 2004). None of the respondents expanded on the role of the marketing mix in forming unique business or corporate strategies. The other frameworks mentioned by respondents were the use of mission, value, vision, goals, intuition, global thinking, technology and innovation. No respondents mentioned a focus strategy or any corporate strategies.

5.4.2.3. Strategy Implementation and Measurement

Twelve percent of respondents explained that strategy implementation is the most difficult part of strategy and said that marketing has an important part to play. A further 29% of respondents said that marketing is a key player in strategy implementation across different departments. Twenty four percent of the respondents mentioned that their role was to communicate the organisations strategies across all the different functional areas. These organisational responsibilities can be due to the capabilities of the marketing department or the organisational structure. The areas where marketing have cross-functional implementation roles are cost reduction, logistics, motivation, training and internal branding. 35% of the respondents said that their strategy implementation role is limited to the marketing department.

Measurement and feedback are critical elements of the strategy formulation process as this enables the organisation to adjust strategies and create new strategies based on quality information (Dess, 1987), (Mantere and Vaara, 2008). Fifty three percent of the respondents only concern themselves with the marketing department's measurement and feedback in congruence with the literature. Twenty nine percent of the respondents described the monitoring and feedback process as being *ad hoc*, informal and sporadically

driven by the CEO or Executive Management Board and all of them felt that this method is ineffective.

Assessment of the overall efficiency, productivity and profitability of the organisation scored 47.29 out of 100 on the rating table and ranked 13th out of 15 on the ranking table. Business strategy implementation and alignment of different business unit strategies scored 77.59 out of 100 on the rating table and ranked 3rd on the ranking table. This shows that the priority role of the marketing manager will be focused on the implementation and alignment and not on strategy assessment as there is massive differential of 30.3 on the rating table and ten places on the ranking table.

5.4.3. Contemporary Issues and Trends in Strategic Management

Business and corporate strategies are becoming increasingly complex in the modern era and the range of contemporary issues and trends is ever-increasing. The focus of the respondents in management of these issues and trends are mainly in the promotional areas, for example, online and social media, media selection and promotional costs. Some of the other marketing issues mentioned were data analytics, marketing skill shortage and customer loyalty. While many of the respondents focused on the marketing aspects of contemporary issues and trends, there was mention of contemporary issues and trends in strategic management.

Technological advancements are so rapid at the moment and most CEO's will want to know which ones are going to have a large influence on the business. The areas where marketing managers are having the most affect is digital and online, especially social media, for example Facebook, Twitter and blogs. Digital tools are being used across the organisation but marketing managers are generally being held accountable. Any online issues are either the responsibility of the information technology (IT) or Marketing departments. Selection and assessment of the online and digital strategy of the organisation scored 73.82 out of 100 on the rating table and ranked 10th out of 15 on the ranking table. Marketing managers can have a considerable influence on organisational strategy if they can take full responsibility for the online and digital strategy of the organisation. Marketing managers seem to be leading the way with the data explosion. 53% of respondents mentioned issues related to "big data" as an opportunity but also a

challenge (Iwata, 2011). Marketers can now further understand the market, the customers and competitors using different forms of data technology. These technologies can significantly help marketing managers understand customer behaviour, improve service and perceptions and increase sales (Carlson and O'Cass, 2010).

Twelve percent of respondents said that they monitor changes in the global environment and another 12% in the macro and social environments. It is not clear how much of this analysis is being used in the strategy formulation process. There does not seem to be a central responsibility in global tracking in the organisations or an allocation of this role in strategy formulation. Every organisation is being affected by the global environment and organisations that have developed formal process will be better equipped to deal with it (Ghemawat, 2007).

Many of the respondents mentioned that are involved in innovative initiatives but mainly with a promotions focus. Within the strategy formulation process there was mention of the Blue Ocean approach, an innovations department falling under the marketing department, ecommerce strategy and creating barriers to entry all as innovation initiatives by marketing managers attempting to influence business strategies of the organisation. 24% are responsible for CSI or sustainability initiatives. 59% of respondents described roles within their portfolio of responsibilities that can be defined as strategic leadership for example: strategic planning, cross-functional staff training and events, managing key organisational relationships and breaking down organisational silos (Schoemaker, 1995), (Coughlan et al., 2002), (Thomke and Hippel, 2003), (Kim and Mauborgne, 2004), (Ghemawat, 2005), (Prahalad, 2006), (Ghemawat, 2007), (Porter and Kramer, 2011), (Gavetti, 2011).

Develop organisational insight into contemporary business and marketing issues such as globalisation, new technology and Innovation, scored 59.12 out of 100 on the rating table and ranked 11th of 15th on the ranking table. The respondents showed a lot of comfort and passion in answering the open-ended questions on the topic but did not see this as a priority on the rank-order question. Issues such as social media and ‘big data’ have gotten a lot of publicity lately and marketing managers may have been feeling a lot of pressure to deal with these issues but clearly do not consider these to be as important as the hype suggests.

5.4.4. Allocation of Strategy Formulation Roles

When respondents were asked about the specific allocation of the strategic formulation roles most could not segment and allocate roles to specific individuals. 65% of respondents said that the Executive Management jointly own the business strategies and 29% said that these roles are allocated *ad hoc*. This may be a result of most organisations having a loose strategy formulation process or as a result of the marketing manager not having access to the actual process. Marketing managers that have more experience or show intuitive in gaining strategy formulation roles usually are given more responsibilities in this system.

Ownership of strategy formulation is always allocated to the CEO or an executive board according to the respondents. As part of this main decision making board, 47% mentioned themselves, 29% included Finance, 24% included Operations and 6% included the Sales function. All of the marketing managers expressed their desire to be included in the strategy formulation process but 18% mentioned being excluded from being allocated specific strategy formulation roles. When specific strategy formulation roles are allocated, 41% of the respondents said that they are given the communication role, while 24% are responsible for the social responsibility aspect, 18% are allocated potential growth areas, 18% drive implementation, 12% form part of cross-functional project teams, 12% contribute customer and competitor information, 12% have consultative roles, 6% handle problems, 12% handle the testing and measurement and 24% have dynamic roles in assisting the CEO. There seem to be fixed roles within the strategy formulation process of the organisations. Participation in strategy formulation is granted to senior staff members and any allocation will take place on a project basis.

5.4.5. Rank-Order Questionnaire results

There seemed to be two different approaches to the rank-order question presented to the respondents. All of the respondents gave a rating based on how important the task was to their job role but 41% ranked the roles in order of which is performed first in organisational processes. 59% of the respondents used their priority rating score to guide the way that they ranked the roles. This necessitated a split of the rank-order results into two separate

tables with slightly differing results due to the different approaches used by the respondents.

Respondents were given the opportunity to add extra roles that were not provided on the flashcards. The roles that were added are: Internal People Focus, such as branding, training, developing specialist skills, internal communication, incentives and motivation, Measurement of marketing campaigns and marketing metrics, Brand building, Relationship with external organisations, relationship marketing and eventing, CSI and social responsibility, Risk analysis such as market and financial risk. Although most of these roles are included in some of the other flashcards, respondents felt that these additional roles are important enough to stand alone.

Although development and integration of the overall marketing strategy scored and ranked highest, it was explained in the marketing strategy section that the scope that this entails may be restricted to promotional elements only although each respondents felt that their role encompassed the entire marketing scope. Promotional management is the highest rated marketing mix role followed by the customer related roles of market and customer segmentation and customer satisfaction and understanding. Leadership was not distinguished between strategic leadership and marketing leadership but the high rating is mainly based on the marketing leadership definition as described by respondents. Business strategy implementation and alignment of different business unit strategies with a rating of 77.59 and a ranking of 3rd is the highest of all the traditionally non-marketing roles. Competitor and market research has emerged as one of the roles that best links marketing to strategy formulation and has a rating of 64.29 with a ranking of 8th. Selection and assessment of the online and digital strategy of the organisation is increasingly becoming a dual role found both in marketing and strategy formulation as its importance is now elevated in the organisation. The 73.82 rating and ranking of 10th obtained by online and digital strategy shows that marketing managers see it as a high priority but still do not give it the attention that it deserves. Product, Price and distribution management all scored very low as a priority of marketing managers. This could be as a result of increased specialisation within large organisations. These are all traditionally and academically considered to be marketing roles but most marketing managers place very little importance to them in their job scope. In line with the current weakening perceptions of the marketing function these roles may be removed from marketing in future academic literature.

The majority of the results from the open-ended questions correlated to the rank-order questions and is discussed under each relevant section. Any deviations between the two different question types may be a result of ego influence, feelings of inadequacy, lack of understanding, excessive probing or too much influence from the flashcards in guiding answers.

5.4.6. Conclusion Pertaining to Proposal 2

Proposition 2 was designed to assess if the areas where marketing managers will most affect strategy formulation are: producing mission, value and vision statements, choice of market concept, product and service offering, relationship management, customer segmentation, price positioning, channel management, promotion management, strategic leadership, competitor and market research, handling contemporary issues and trends.

The research shows the involvement of marketing in deciding the strategic approach of the organisation which includes producing mission, value and vision statements and the market orientation decision. Marketing managers seem to have an influential role in deciding the strategic approach but are rarely the main decision maker. This chapter then described the strategy formulation processes of the organisations and the involvement of marketing managers along the process. The majority of the organisations do seem to follow some form of structure in formulating the business and corporate strategies even though these structures were described as loose and haphazard.

Although marketing is responsible for conducting a lot of market and customer research, this does not seem to be converted into internal and external analysis used in the strategy formulation process. Generally, organisations do not seem to be using proven strategic frameworks. The organisations mostly use a flexible approach where their strategies are based on the individual perceptions of senior management. Many of these senior managers have not been trained in or understand the strategic frameworks explained in the literature chapter of this research and therefore do not utilise them.

As a result, the marketing mix seems to be having little influence on forming unique business strategies. Marketing managers do play a critical role in strategy implementation in most organisations but have a limited role in measuring the effectiveness of the chosen

strategies. Marketing managers are being given a central role in handling some of the contemporary issues and trends in strategic management. These issues and trends are mainly in the area of new technology where marketing managers are responsible for online, social media, big data analysis and customer understanding initiatives such as CRM. The other contemporary issues and trends that marketing managers are handling are globalisation, social responsibility, innovation and strategic leadership.

Most of the respondents described the process of allocating strategy formulation roles as *ad hoc* or informal. This allocation is usually delegated on a project basis by the CEO or the Executive Board who takes overall ownership of the business and corporate strategies. Since the allocation is usually based on personality and experience of the senior management, marketing managers seem to be given the same responsibility as all of the other functional heads. Where formal long term roles exist, marketing managers are delegated the task of communicating the strategy throughout the entire organisation.

5.5. Conclusion

Marketing literature explains the scope of the roles of marketing managers to include the marketing mix consisting of product management, price management, distribution management, promotional management, corporate understanding, competitor understanding and customer understanding. The scope will also include choosing the market orientation, marketing strategy, marketing leadership and managing contemporary marketing issues and trends. The literature does not however explain that marketing has different effects on these different roles. Marketing can own the role, contribute to the role or have varying levels of influence on the role with data or advice.

The research has shown that there is a hierarchy of marketing roles and responsibilities across the different organisations. All of the respondents have some leadership, strategy, branding, advertising and customer roles. Most of the respondents have full promotional management responsibility as well as managing contemporary issues and trends. Some of the respondents have competitor, product and marketing orientation roles. Very few respondents are involved in pricing and distribution. This hierarchy is depicted in the stacked pyramid in Figure 3:



Figure 3: Marketing Role Hierarchy

The figure above has been constructed by the author, using the responses from both the open-ended and rank ordering questions in the face-to-face interviews. The bottom level consisting of Branding, Advertising and Customers and represents the roles of all marketing managers and thus be considered as the basic scope of marketing managers. The next level consists of Marketing leadership and Strategy, where all the marketing managers contribute but the extent of their contribution may vary. Most marketing managers will own the full promotion mix and will make some contribution to contemporary issues and trends. The roles of competitor, product management and choice of market orientation are rarely owned by marketing but usually heavily influenced by the Marketing manager. Pricing and distribution are rarely owned by marketing and also rarely influenced by marketing.

The literature explained that marketing has the most effect on strategy formulation in the areas of Producing Mission, Value and Vision Statements, Choice of Market Concept, Product and Service Offering, Customer Segmentation, Price Positioning, Channel Management, Promotion Management, Competitor and Market Research and handling strategic Contemporary Issues. These roles are all included in the strategy formulation process that was used as the structure to best describe the involvement of the Marketing manager in strategy formulation.

The research shows that these roles are usually managed by teams of people from different functions along the strategy formulation process but put together by the CEO or executive management board. The research shows that the involvement of marketing managers in these different strategy formulation roles can vary significantly between different organisations and can be categorised into ownership and varying levels of influence.

The strategic approach that the organisation choses to adopt will guide the strategy formulation process. This includes the strategic school of thought, the mission, value and vision statements and the organisations market orientation. Although many of the Marketing managers do have an effect on the strategic approach that the organisation takes, most do not own this decision. Most of the organisations have a very loose and haphazard strategy formulation processes and typically the marketing managers do not have the authority to improve it. Many respondents pointed out specific problems with the strategy formulation process used by their organisations but the CEO would not make the recommended changes.

The organisations do use some internal and external analysis in the strategy formulation process but this type of analysis is conducted on an ad hoc basis. The Marketing managers do not have formal responsibilities in conducting internal or external analysis but neither does anyone else. Many of the strategic frameworks listed in the literature rely on marketing elements such as the marketing mix. Most of the organisations do not use any of these proven frameworks in forming the unique business strategies which can explain the exclusion of some of the Marketing managers in that part of the process. Strategy implementation is where Marketing managers are being used most in the strategy formulation process but are being underutilised when it comes to measuring the chosen

strategies. Marketing managers have the responsibility of managing new technology and data issues in most organisations as the role in handling contemporary issues and trends. The figure bellow shows the different levels of involvement the marketing manager has in the different steps of the strategy formulation process:

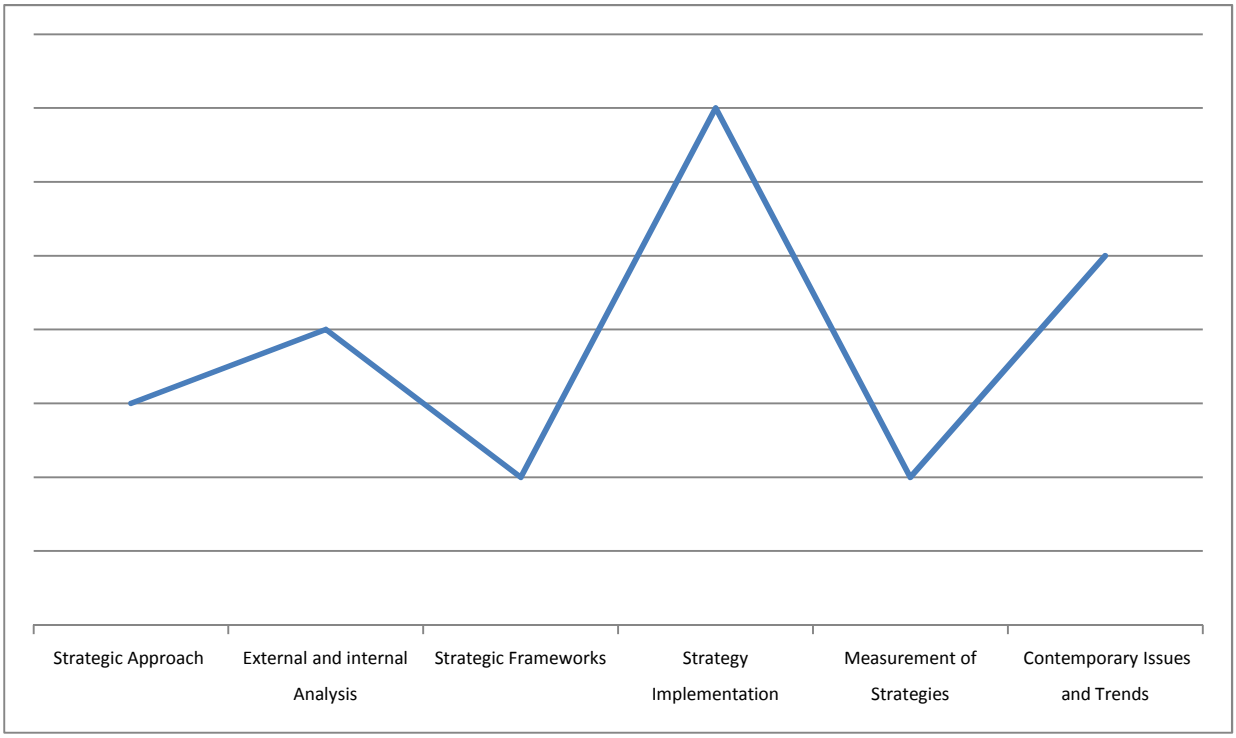

Figure 4: Marketing Managers involvement in the Strategy Formulation process

The figure above has been constructed by the author, using the responses from both the open-ended and rank ordering questions in the face-to-face interviews. The figure shows that the marketing manager's involvement in the strategy formulation process is lowest in developing strategic frameworks and measurement of strategies. Marketing managers have the highest involvement in implementing strategies due to their perceived communication skills.

Marketing managers should protect the areas where they can most influence the strategy formulation process such as implementation but expand on organisational shortfall areas such as measurement. The biggest opportunity for marketing managers to increase their involvement in the strategy formulation process is by designing or suggesting strategic frameworks. Since many of these organisations do not formally allocate this role, marketing managers can volunteer to investigate the feasibility of frameworks such as the

resource-based view, market-driven approach, differentiation, cost-leadership, focus, or the customer-centric approach. All of these approaches have their roots in marketing theory and marketing managers should not have difficulty in assessing the feasibility of implementing these frameworks for their organisations. Marketing managers can then bring their expertise in branding, online, customer and data analysis into formulating strategies for the organisation.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter concludes the research by presenting a table of the two propositions consisting of the source area where each responsibility was derived in the literature and the conclusion that summarises the involvement of the marketing manager in that responsibility. The chapter then briefly discusses the findings under each proposition. The recommendations section suggests how marketing managers can grow the scope of their roles and their responsibility in the organisation. The recommendations section also shows the executive management the benefits of an integrated marketing department and the extent marketing managers could add strategic direction and value to the organisation. The chapter closes by suggesting areas for further research uncovered by this research document.

6.2 Conclusions of the study

The table below depicts the areas of responsibilities identified by the literature review under each proposition, categories the source area where the responsibility can be found and summarises the findings of the responsibility.

Table 39: Proposition Conclusions

RESPONSIBILITY	SOURCE AREA	CONCLUSION
Proposition 1		
Product Management	Marketing Mix	Not owned by marketing. Involvement limited to research and advice.
Pricing Management	Marketing Mix	Not owned by marketing. Involvement limited to research and advice.
Distribution Management	Marketing Mix	Rarely owned by marketing. Involvement limited to research and advice.
Promotion of the Organisation	Marketing Mix	Owned and controlled by marketing.

Corporation, Customer and Competitor Understanding	Marketing Mix	Ownership and responsibility not allocated.
Adoption of the Market Concept	Marketing Responsibility	Rarely owned by marketing. Involvement limited to research and Advice.
Marketing Leadership	Marketing Responsibility	Owned and controlled by marketing.
Marketing Strategy	Marketing Responsibility	Owned and controlled by marketing but scope varies.
Managing Contemporary Marketing Issues and Trends	Marketing Responsibility	Owned and controlled by marketing.
Proposition 2		
Producing Mission, Value and Vision Statements	Strategic Approach	Not owned by marketing. Involvement limited to research and advice.
Choice of Market Concept	Strategic Approach	Rarely owned by marketing. Involvement limited to research and Advice.
Product and Service Offering	Strategic Frameworks	Not owned by marketing. Involvement limited to research and Advice.
Relationship Management	Strategic Frameworks	Ownership and responsibility not allocated.
Customer Segmentation	Strategic Frameworks	Ownership and responsibility not allocated.
Price Positioning	Strategic Frameworks	Not owned by marketing. Involvement limited to research and Advice.
Channel Management	Strategic Frameworks	Rarely owned by marketing. Involvement limited to research and Advice.
Promotion Management	Strategic Frameworks	Owned and controlled by marketing.
Strategic Leadership	Implementation and Measurement	Ownership and responsibility not allocated besides to the CEO
Competitor and Market Research	External and Internal Analysis	Ownership and responsibility not allocated.
Handling Contemporary Issues and Trends	Strategy Formulation Responsibility	Ownership and responsibility not allocated.

6.2.1 Proposition 1

The roles and responsibilities of marketing managers in B2C organisations in South Africa include:

- Product Management
- Pricing Management
- Distribution Management
- Promotion of the Organisation
- Corporation, Customer and Competitor Understanding
- Adoption of the Market Concept
- Marketing Leadership
- Marketing Strategy
- Managing Contemporary Marketing Issues and Trends

This research has reaffirmed that marketing is a difficult term to define. And that the scope and responsibilities of marketing departments varies in different organisations.

Marketing managers in large B2C organisations dedicate a lot of their time to leadership of the department and are less involved in the specialised marketing areas. This depends on the structuring of the organisation and of the Marketing department. The marketing strategy is always designed and owned by the Marketing manager but the scope of the marketing strategy was found to be very narrow in some organisations. The contemporary marketing issues that were identified by the respondents revolved around online, digital and social media as well as data analytics.

The research has shown that the marketing mix elements are not all handled by marketing managers. Many organisations separate product, price and distribution into their own business functions and many organisations do not have formal roles or responsibilities when it comes to corporation, competitors and customers. The promotional element is

always part of marketing departments and is the main responsibility. Branding and Advertising are seen as the main focus areas of promotional management. Marketing managers are considered to be the custodian of the customer in the organisation although often without formal departments or roles but more in principle. The areas of product, distribution and pricing are becoming more specialised and there is a growing trend of separating these areas out from the Marketing department either to their own functional area or into Operations. It was found that the corporation and competitor aspects of the marketing mix typically are not allocated to any particular functional area and are generally handled in a haphazard way at an organisational level without a central data point.

The research has shown that marketing managers are involved in all the responsibilities listed by Proposition 1. The literature does not go into the complex nature of responsibility within an organisation or how these roles are allocated, reported and structured. The research has found that although marketing managers do not always own these roles, they still have a level of responsibility. the roles identified can be owned by marketing, key to marketing, marketing can have an instrumental role to play, a supportive role to play, a consultative role to play, marketing can have varying degrees of influence and involvement in the responsibilities identified or marketing has no involvement at all.

6.2.2 Proposition 2

The areas where marketing managers will most affect strategy formulation are:

- Producing Mission, Value and Vision Statements
- Choice of Market Concept
- Product and Service Offering
- Relationship Management
- Customer Segmentation
- Price Positioning
- Channel Management

- Promotion Management
- Strategic Leadership
- Competitor and Market Research
- Handling Contemporary Issues and Trends

It can be seen from the research that the main reason for the exclusion of marketing managers from the strategy formulation process is the haphazard and loose manner in which the process is conducted. This systemic failing can result in the other functional heads of departments being excluded as well.

The CEO typically will be responsible for the strategic approach of the organisation but marketing managers do play a role in this decision. Marketing managers generally contribute their market research to the external analysis but are not contributing much information on internal analysis. Internal analysis is being handled by the HR function. Where organisations follow particular strategic frameworks, marketing managers have higher contributions than in organisations where no framework is followed. Most organisations do not follow any of the proven strategic frameworks. Marketing managers make their biggest contribution to the strategy formulation process by assisting with strategy implementation. The majority of this contribution is within the marketing department but does extent to the other functional areas as well, mainly in the role of internal branding, training and communicating strategic changes. Where organisations have strong strategy measurement techniques, marketing managers have higher contributions than in organisations where the measurements are loose and haphazard. Marketing managers have a high amount of involvement in handling contemporary issues and trends in the organisation. The main issues and trends that organisations today are dealing with revolve around areas where marketers are believed to be strong such as online and social media, customer data and analytics, innovations and trend analysis.

6.3 Recommendations

The research shows that marketing managers generally have the ability and intention to add to the strategic direction of the organisation (Grant, 1996). Executive management often do not acknowledge this and tend to under-utilise marketing managers in the strategy formulation process. This research shows where marketing managers have areas of responsibility in B2C organisations in South Africa. This section will make recommendations on how marketing managers can increase the scope of their responsibility in the marketing areas that relate to Proposition 1 and the strategy formulation process of Proposition 2.

6.3.1 Marketing Manager Authority

Many of the marketing managers interviewed are directors either at a business unit or organisational level. This generally means that they have a high level of responsibility in the organisation, are involved in strategy formulation and have a large amount of authority in the organisation. The marketing mangers that were considered to be part of the senior management below an executive board, do not seem to have the same level of authority and influence across the organisation but do have autonomy within their marketing departments.

Many marketing managers mentioned that they have had to push on the CEO to add responsibility to their departments and often took it upon themselves to grow the scope of the marketing department without the knowledge of senior management. Although it is not advocated to conduct business without the knowledge of senior executives, this may be necessary for a time period to build up tasks adding to the authority for the Marketing manager. It is suggested that marketing managers attain success in the core marketing roles (refer to Figure 3), and climb up the hierarchy by pushing for roles in the next level of the hierarchy. This will add to the authority of the marketing manager. It is important to be highly analytical and financially focused when taking on new responsibilities in the hierarchy.

Marketing generally relies on a large amount of information and research. Marketing managers often conduct market, customer, competitor and brand research. Marketing managers can heavily influence the areas of market orientation, strategic approach and unique strategies by contributing quality insights. Adding insight at an organisational level will usually lead to being given decision making responsibility. Due to the shifts in online technology many organisations are becoming more customer focused and will require insights in order to shift the organisations approach to the market. Marketing managers should start building these insights and may be required to force organisational changes based on the findings.

6.3.2 The Scope of Marketing

The marketing mix forms the academic basis for the scope of marketing but is generally not being adhered to in large organisations in South Africa in terms of full ownership but more on a consulting basis. The trend is to separate out the different elements into their own functional areas. This creates specialists such as pricing managers and product managers. Although this is a popular approach, a lot of efficiency is lost as research and analysis is being duplicated in each of these separate functions. The entire scope of the marketing mix should be incorporated into one department lead by the marketing manager. This department will have sub-departments for each element of the marketing department led by a specialist in that area. Additional sub-departments can also be included to improve efficiency and information share for example research, insights, trends and analysis units. An innovative approach to structuring the marketing department would be to create cross-functional teams to work on all the marketing elements in project based efforts. Many large organisations today cannot deliver on the promises they have communicated to customers and many are not offering what customers want. This is due to the separation of the marketing mix. To prevent this, marketing managers should own the full marketing mix and be responsible for integrating all seven elements. This structure will allow proper two way information flow between the organisation and its customers, creating genuine two-way relationships. These relationships mean that customers can influence the products, pricing, value, distribution and brand of the organisation and should increase the Return on Investment (ROI) of marketing activities.

Most organisations do not formally allocate the responsibility of corporation, customer and competitor to any particular function. This presents an opportunity for marketing managers to grow the scope of their responsibility into these areas. Marketing managers should create a central corporation, competitor and customer information system and tracking tool that will be maintained by the marketing department. This tool can be developed and improved to the point where it is presented to senior level management whom can then officially allocate the responsibility and resource to the Marketing manager. Marketing managers will then officially own these aspects of the business and can contribute this information to the strategy formulation process.

6.3.3 The Future of Marketing

The perception of marketing managers in contemporary business can be relatively poor. Marketing managers can be seen as individuals that only possess “soft skills”. In order to improve this perception, marketing managers need to bring strong metrics, research and analysis into all of their areas of responsibility. This should start with promotional management where marketing managers have the most amount of control. All media channels must be measured in terms of ROI and effectiveness. There have been recent developments for metrics in the areas of brand awareness, customer, advertising and sponsorships. These metrics need to be understood, implemented and communicated by the marketing manager. Marketing managers need to be more proactive in conducting market and customer research. Marketing managers must understand and implement proven research techniques and methods.

Organisations are still trying to figure out how to handle the issue of “big data”. With many different information sources and large amounts of data available, the marketing manager can use market, online, customer, competitor, corporation, pricing and product information to become the data centre of the organisation. Marketing managers must then develop the skills of the marketing department to analyse and report this information. All of the functional areas will become reliant on marketing for comprehensive and integrated insights. Centralised research and analysis will enable marketing managers to further influence or own product, pricing and distribution management.

The respondents identified the contemporary issue of social media as being on the forefront of marketing issues. Companies are (and need to be) improving their social technologies all the time and are continually forming part of business strategies. Marketing managers need to fully understand these new technologies and lead the organisation in harnessing their resources against the different threats and opportunities that they present to the company. Social media and IT technologies are being utilised in the traditional marketing areas of advertising, market research and product design. This presents an opportunity for marketing managers to extend their scope of control in these areas. The benefits of social media can be extended to conducting internal and external analysis, finding new ideas and innovation, managing projects, linking employees to tasks, allocating resources and many other roles. Thus, marketing managers have the opportunity to grow the online and social environments into critical strategies in the organisation.

In South African terms, one of the biggest issues going forward will be adequately differentiating and serving different market segments. The South Africa demographic is constantly changing and marketing managers in South Africa have more tools than ever before to track and manage this change. The competitor space should evolve even further with more international organisations entering Africa through South Africa, seeking the “bottom of the pyramid” customers. Marketing managers need to understand individuals and markets to have an effect on business strategy. Marketing managers need to entrench themselves in customer and competitor analytics and should position themselves at the forefront of CRM and loyalty schemes in driving the relationship marketing trend. There is currently a trend in South Africa in cutting costs and finding efficiencies, so marketing managers have an opportunity to find ways to optimise costs within the strategy formulation process since it is unlikely that such a role has been allocated.

Organisational silos were mentioned often by the respondents as hampering business success. Many marketing managers are being asked to use their communication skills to break down these organisational silos and also to increase internal brand strength. The marketing department needs to have extended organisational authority and work closely with the Human Resources function and senior management if this is to be achieved. In many cases, organisational structure and cultures have to be radically adjusted to break down these organisational silos. Marketing may have to interfere in different functions

which will cause conflict unless given the relevant authority. One respondent explained the benefit of creating cross-functional teams on every strategic project which means that no function is left out of important decisions.

6.3.4 Marketing Managers effect on the Strategy Formulation Process

It is unlikely that a marketing manager will be given the responsibility of managing the strategy formulation process in an organisation but should suggest improvements to the process. A marketing manager that fully understands the strategy formulation process can suggest improvements in organisations that have a haphazard approach. It is unlikely that marketing managers will grow their influence on the strategic approach of the organisation, as this role is being allocated solely to the CEO and to interfere will affect his/her ego. However, marketing managers can increase their involvement in the strategy formulation process. Many organisations do not conduct internal and external analysis on an organisational level. Tools such as SWOT, Pestle and value chain analysis are being used by certain departments but the results and discussions are usually not being communicated throughout the organisation or being used in the strategy formulation process. This presents an opportunity for marketing managers to gather information from around the organisation and the market, collate the data and present findings and recommendations at the annual strategy and planning meetings that most of the respondents mentioned.

Proven strategic frameworks are not being fully utilised in the strategy formulation process. Marketing managers should research the frameworks mentioned in the literature section of this document and suggest which ones are to be used to guide the strategies of the organisation. This will allow the marketing manager to become the custodian of the chosen framework. In order to suggest frameworks, marketing managers will have to fully understand the marketing mix of the organisation. This will ensure that the marketing manager becomes a vital contributor to the creating unique business and corporate strategies. Marketing managers can use their branding and brand positioning expertise to influence the corporate strategy of the organisation. By providing genuine innovation, choosing the unique strategies of the organisation is the where marketing managers have the biggest opportunity to increase their effect on the strategy formulation process.

Marketing managers should use the infrastructure that they have created in implementing strategies to create a strategy measurement system. This will close the strategy formulation loop. Many unsuccessful strategies are continually supported because they are not being measured properly. They are usually not being measured properly due to the Silo'd nature of the organisation. This could prove to be a challenge to marketing managers as many do not have the authority and access to the different functional areas in order to affectively measure strategies.

Many organisations are struggling to provide adequate customer insights because the organisation is more focused on markets and not on individuals/customers. Marketing managers can bring strong customer analytics to the strategy formulation process. The other areas where marketers can provide critical information are in market research, competitive benchmarking and project metrics.

The marketing roles identified play an important part in strategy formulation but the research shows that organisations are not using them effectively enough in the strategy formulation process. By improving the structure of the strategy formulation process, the use of marketing managers in the process will naturally increase.

6.4 Suggestions for Further Research

- Conducting this research study in the B2B environment, in countries outside of South Africa or for specific industries.
- Conduct research with a quantitative approach by sending out questionnaires to marketers within the marketing departments of large organisations. This will enable the research to test variables such as education, experience, tenure and designation against the roles and responsibilities identified in this research.
- Determine what effect the other functional areas have on strategy formulation for example Operations, Finance, Human Resources and information technology (IT).
- Investigate the effect that contemporary issues such as globalisation, new technology and innovation are having on the structure and functioning of marketing departments and organisations.
- Create a model to measure the effectiveness of different forms of media such as television, radio, mobile and social media. Conduct the research to assist marketers in media selection.
- Examine different organisational structures and techniques used to break down organisational silos. Undertake research that will assist organisations in sharing information internally.
- Research the different responsibilities of CEO's, their approach to strategy formulation, delegation techniques and influence levels in the different organisational functions.

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APPENDIX A

Overlap of Marketing and Strategy Formulation Roles and Organisational Demographics

Table 40: Overlap of Marketing Manager and Strategy Formulation Roles

Marketing Manager Roles	Strategy Formulation Roles
Market Orientation	Adoption of the Market Concept
Understanding of Corporation, Customer and Competitor	Mission, Value and Vision Statement
	Response to Competitors
	Customer Focus
Customer Service	
CRM	
Customer Segmentation	
New Product Development	Product Offering
Packaging	
Product Quality	
Product Diversification	
Price Setting	Pricing Management
Discounting	
Branding	Corporate Image
Advertising	
Online and Digital Strategy	
Exporting	Channel Management
Trade Marketing	
Distributor Management	
Resource Management	Leadership
Recruitment and Training	
Management of Marketing Department	
Measurement and Metrics	
Align all the Different Business Units	
Global Marketing	Impact of Globalisation
Innovation	Innovation
New Technology	New Technology
Market and Industry Knowledge	Market and Industry Knowledge

Table 41: Profile of Organisations

Company Name	Industry
African Realty Trust	Agriculture
Comair	Air Travel
Core Group	Consumer Electronics
Dischem	Retail
Discovery	Financial Services
Edcon	Retail
Ellies	Electrical
JD Group	Retail
Lenovo	Consumer Electronics
Massmart	Retail
Mutual and Federal (Iwyze)	Insurance
Nando's	Fast Food
Netcare	Healthcare
Sasfin	Financial Services
Simba	Snacks
Standard Bank	Banking
Virgin Money	Financial Services

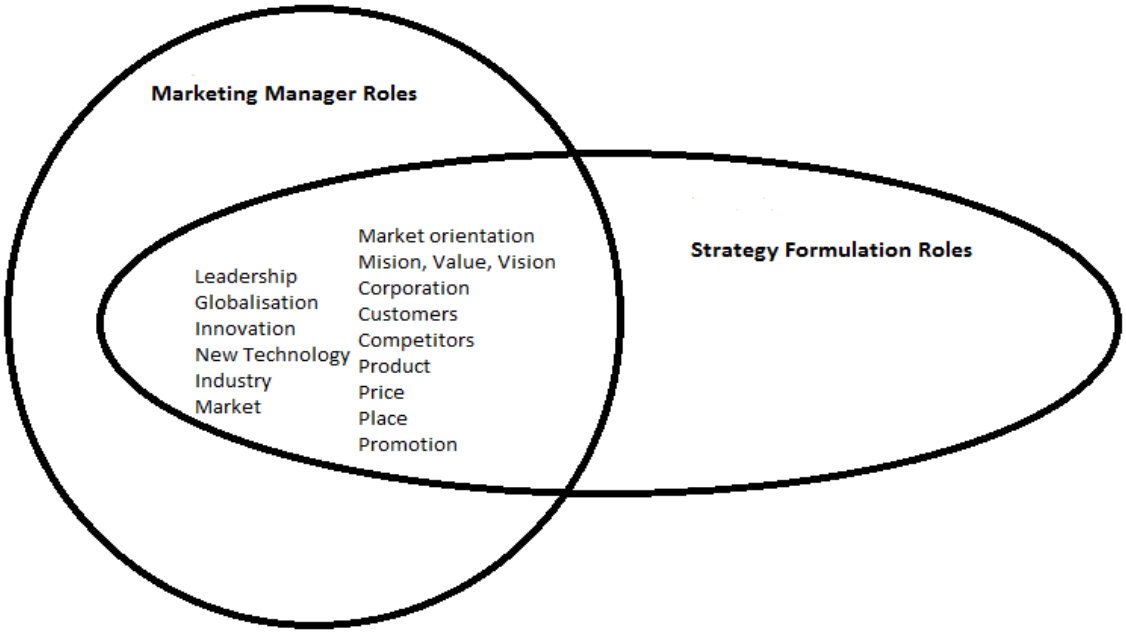

Figure 5: Overlap of Marketing Manager and Strategy Formulation Roles

APPENDIX B

Letter to Respondents

Dear Respondent

I am completing an MBA at The University of Witwatersrand Business School, Johannesburg (Wits). My MBA thesis is on The Role of Marketing Managers in Strategy Formulation in B2C Organisations in South Africa. I would be grateful if I could arrange a 1 hour interview with you in order to gather information on the subject. I understand that you are extremely busy but your contribution will be much appreciated. A summary of the report will be made available to you as a result of your participation in the research. Confidentiality will be observed throughout the entire process including the final report which will be for academic purpose only.

Thank you for your kind assistance.

Yours sincerely,

Greg Hurwitz

SA Mobile: +27 79 875 4747

Email: hurwi1@gmail.com

Actual Research Instrument

Interview Questions

- First ask demographic questions:
    - What is the name, size and background of the organisation?
    - What is the size of the organisation and marketing department?
    - What is your designation where do you fit into the reporting structure of the organisation?

- What are all of your responsibilities of your role?
    - Probe any areas that are left out but are included in the literature review. (Have a card ready)
    - Within these responsibilities:
        i. what would you say is the market orientation of the organisation
        ii. Describe the organisations marketing approach
        iii. Highlight some of the contemporary marketing issues
- Describe the process of how business strategy and corporate strategy formulation takes place in your organisation
    - Probe any steps or approaches (categories) of the planning process that have been omitted compared to the literature (Have two strategy formulation card ready)
    - Are there specific roles and responsibilities involved in the strategy formulation process outlined above? If so what are they and who are they allocated to?
    - Clarify your involvement in the strategy formulation process and how important is it to your role (May Require probing along the steps, ask about specifics from the previous card)
    - How important are each of each the following responsibilities to your job role out of 100 (Rank in order and gap between each)
        - Producing and assessing the relevance of the Mission, Value and Vision Statements
        - Choice and assessment of the orientation towards the market (EG: Production, product, selling, marketing , holistic concepts)
        - Selection and assessment of the product and service offering and management of new product development
        - Market and customer segmentation

- Selection and assessment of the distribution strategy
- Selection and assessment of the promotional strategy including branding, advertising , direct selling, sales promotion, PR etc
- Selection and assessment of the pricing strategy
- Competitor and market research
- Develop organisational insight into contemporary business and marketing issues such as globalisation, new technology and Innovation
- Assessment of the overall efficiency, productivity and profitability of the organisation
- Customer satisfaction and understanding
- Leadership
- Development and integration of the overall marketing strategy
- Selection and assessment of the online and digital strategy of the organisation
- Business strategy implementation and alignment of different business unit strategies
- Other

Display Cards

Marketing Responsibilities

1. **Marketing Mix**
    a. Product
    b. Price
    c. Promotion
    d. Place (Distribution)
    e. The Corporation, Customers and Competitors (Research and Understanding)

2. **Marketing Leadership**
    a. Example recruitment, training, strategic planning, resource allocation, investment appraisals and metrics

3. **Market Orientation**

The makeup, focus and philosophies of a marketing department are heavily influenced by the company's orientation towards the marketplace. The following concepts guide the orientation (Kotler and Keller, 2009):

- **The production concept** defined by high production efficiency, low costs and mass distribution.
- **The product concept** defined by high product performance, quality or product innovation
- **The selling concept** defined by aggressive selling and promotion
- **The marketing concept** defined by a customer-centred approach
- **The Holistic Marketing concept** defined by having a complete and cohesive approach where all activities of the organisation matter.

The Strategy Formulation Categories

- **The Design School** defines strategy formulation as a process of conception where fit is sought between internal capabilities and external possibilities
- **The Planning School** defines strategy formulation as a formal process
- **The Positioning School** defines strategy formulation as an Analytical Process
- **The Entrepreneurial School** defines strategy formulation as a visionary process
- **The Cognitive School** defines strategy formulation as a mental process
- **The Learning School** defines strategy formulation as an emergent process
- **The Power School** defines strategy formulation as a Process of Negotiation
- **The Cultural School** defines strategy formulation as a collective process
- **The Environmental School** defines strategy formulation as a reactive process

- **The Configuration School** defines strategy formulation as a process of transformation

Mintzberg et al (1999)

Strategy Formulation Process

1. **External and Internal Analysis** (use of tools such as PESTLE, Industry analysis, Balanced Scorecard, swot analysis, value chain analysis, financial performance appraisal, resource and capability assessment)

2. **Formulate unique strategies** of the organisation (example of strategic approaches: Positioning , differentiation, Cost leadership, focus, resource based view, market driven approach)
    a. Formulation of Vision, Value and Mission Statements
    b. Knowledge of contemporary issues and trends such as globalisation, new technologies, innovation and strategic leadership

3. **Strategy Implementation**

4. **Monitoring, metrics, control, feedback , review and corrective adjustment**

APPENDIX C

Consistency Matrix

Table 3: Consistency matrix

Investigate the level of involvement that marketing managers have in the strategy formulation process in B2C organisations in South Africa.					
Sub-problem	**Literature Review**	**Research Proposition**	**Source of data**	**Type of data**	**Analysis**
The first sub-problem is to determine the different roles and responsibilities that marketing managers perform in B2C organisations in South Africa.	(Piercy, 1986) (Tansuhaj et al., 1988) (Kotler and Andreasen, 1991) (Cowan, 1993) (Moorman and Rust, 1999) (Goldsmith, 2004) (Aaker, 2008) (Ferguson, 2008) (Kotler and Keller, 2009) (Edelman, 2010) (French, 2011)	The roles and responsibilities of marketing managers in B2C organisations in South Africa will include: Product Management, Pricing Management, Distribution Management, Promotion of the Organisation, Corporation Understanding, Customer Management, Competitor and Market Research, Adoption of the Market Concept, Leadership, Marketing Strategy, Managing Contemporary Marketing Issues	Interview Question: What is the scope of your role as the Marketing Manager of (company name)?	Qualitative	Data reduction, Summation, data display, conclusion drawing/verification (Miles and Huberman, 1984)

Investigate the level of involvement that marketing managers have in the strategy formulation process in B2C organisations in South Africa.					
Sub-problem	**Literature Review**	**Research Proposition**	**Source of data**	**Type of data**	**Analysis**
The second sub-problem is to determine which areas of strategy formulation are impacted by the identified marketing roles of marketing managers, and to what extent, in B2C organisations in South Africa.	(Porter, 1980) (Schmalensee, 1982) (Porter, 1988) (Mintzberg, 1994) (Mintzberg et al., 1999) (Chun and Davies, 2001) (Sveiby, 2001) (Huyett and Viguerie, 2005) (Porter, 2008) (Grant, 2009) (Baird and Gonzalez-Wertz, 2011) (Gavetti, 2011)	The areas where marketing managers will most affect strategy formulation are: Producing Mission, Value and Vision Statements, Choice of Market Concept, Product and Service Offering, Relationship Management, Customer Segmentation, Price Positioning, Channel Management, Promotion Management, Competitor and Market Research, Handling the Contemporary Issues of Globalisation, New Technologies, Innovation and Strategic Leadership	Interview Question: Describe how the strategy formulation process takes place at (company name)? Interview Question: As marketing manager of (company name), what is your involvement in the strategy formulation process and how important is it to your role?	Qualitative	Data reduction, Summation, data display, conclusion drawing/verification (Miles and Huberman, 1984)