

A NEW DIMENSION IN GLOBAL MARKETING RESEARCH

—THE SCOPE OF THE CONCEPT OF STRATEGY IN GLOBAL MARKETING—

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I THE CONCEPT OF STRATEGY IN MARKETING

1. Introduction

Strategy is one of the focal concepts of managerial science and policy. Many fields of studies possess significant literature as well as research materials on the concept of strategy, and the art of strategizing. The most notable areas which deal with issues of strategy are those related to military practice, business management and future research. Currently the term strategy is being used extensively in areas that deal with the practical management of human affairs and policy. However these areas which include business, government, warfare, development studies and policy have developed their own particular conceptualization of strategy with little reference to what others have conceptualized or are conceptualizing concerning the concept of strategy.

2. The Origins of the Concept of Strategy

One of the ways of ascertaining the core meaning of a concept is to examine the context in which the term was first conceived and named. The term strategy is derived from the Greek word, strategos, which in a strict sense means a general in command of an army (stratos, army; -ag, to lead). After 550 BC most of the early Greek states had strategos, or general officer of the army. Originally, officers were military officials, but with the passage of time they assumed increasing civic, administrative, and political functions. Consequently, such officers became important political figures. In 500 BC a strategia, or a board of 10 generals was established in Athens. This was a radical reform in governance that aimed at coordinating 10 tribal

units and also was a means of diffusing power among the tribes. Later a general became an elected position. In 450 BC, by the period of Pericles, the term strategos had come to mean managerial skill (administration, leadership, oration and power). Alexander (330 BC) is believed to have made reference to the skill of using force to suppress opposition and to create a unified system of global governance through strategy. The case of Pericles indicates an example of strategy from the perspective of political and state management. The example of Alexander illustrates the situation where strategy was used in the military sense. However a close look at both cases indicate that the term strategy has a military origin and connotation.

3. The Concept of Strategy in the Military Field.

There exist a number of literatures on military strategy. However, the work of Sun Tsu in 360 BC is believed to have been one of the first recorded exposition on military strategy (1). The works of Sun Tsu are believed to be the most influential military strategy documented book ever published. Other contributors to providing a classical definition and to expound on the concept strategy as used in the military sense include E.M.Earle(2), Clausewitz(3), A.T.Mahon(4), J. Corbett(5), B.Brodie (6), R. Aron(7) Beaufre (8). and B H Liddell-hart (9). Although there is extensive research in the military field on the notion of strategy, there exist no agreed definitions on the precise meaning of the classical concept of strategy.

The current meaning of concept of strategy is supposed to have been developed in Europe during the period of the Napoleonic wars (10). Before those wars, that is about AD 1500, the term 'stragem' had grown to indicate a trick by a general designed to outwit or surprise an enemy. After the Napoleonic era, strategy was used to refer to the art projecting and directing the extensive military operations of a campaign, which might be a sequence of battles. The definition of strategy as given by Clausewitz is a representative of the general meaning of the term during the post-Napoleonic era (11). Strategy is defined by Clausewitz as the art of the employment of battles to gain the object of war. In other words strategy forms the plan of the engagements in war, makes out the proposed course of the different campaigns which are used to fight a war, and regulates the battles to be fought in each. War is seen both as a social and political act. Furthermore, especially in respect to politics, war

is not merely a political act, but also a real political instrument. It is the means of achieving a continuation of policy. The aim of strategy as defined in war is the destruction of the forces an enemy possesses on battlefield.

As societies became more complex and interconnected, the need arose to manage nations not through only military means but also non-military means based on policies which have foundation in economic, political, technological, psychological and religious factors. The blurring of military and non-military elements in addition to the broadening of the concept to cover both wartime and peace time policies led to the introduction of the term grand strategy (total strategy, or higher strategy). Grand strategy means the art of employing all the resources of a nation (or coalition of nations) to achieve policy objectives (12). The term tactics which had also been in use together with strategy became an important concept.

4. The Relation Between Strategy and Tactics

In theory, distinctions have been made between strategy and tactics. Traditionally, these two fields have been defined in terms of different dimensions. That is strategy deals with wide spaces, long periods of time and large movement of forces. On the other hand tactics although an integral part of strategy, is the opposite of strategy as it deals with the handling of the forces on the battlefield. Despite the distinction which is often made in theory between strategy and tactics, these two concepts cannot be always separated in practice.

The language of strategic maneuver (for example, envelopment, penetration, encirclement) is also the language of tactics. Movement begets action, and action results in movements. The one merges into the other. Strategy gives tactics its mission and above all seeks to reap the results of the combined implementation of strategy through tactics. But tactics has also become an important conditioning factor of strategy, and as it changes, so does strategy.

5. The Formulation of Military Strategy

Many varying factors have been listed as affecting the formulation of military strategy. The first prerequisite is for the strategy to be in consonance with national aims and objectives. Another basic requirement is that it must provide for the integrity of the nation. Thirdly, strategy cannot be conceived only to be offensive. It must provide for the development and maintenance of the forces (economic burden). Other factors that influence the formulation of strategy include alliances, geographical position, the necessity to acquire areas, and physical factors among others. Lastly, the principles of war are crucial to the specifics of the conditions which influence the formulation of strategy.

Principles of War.

The principles of war have been varying with the passage of time, and differed among nations. These principles are in some cases mutually dependent but some complement each other and it has also been found out that others appear to overlap or conflict. Consequently, one cannot be applied independent of the others. Often stated are the principles emphasized by USA, Britain, France, and Russia (13). Although their naming differ in many cases, they mean the same thing. The USA stresses 9 principles, Britain 10, France 3 and the Russia 9. They are as follows:

- 1) Objective (U.S.)
 - Selection and Maintenance of Aim (Britain)
 - Advance and Consolidation (Russia)
- 2) Offensive (U.S.; Russia)
 - Offensive Action (Britain)
- 3) Unity of Command (U.S.)
 - Cooperation (Britain)
 - Combined Arms (Russia)
- 4) Mass (U.S.)
 - Concentration of Force (Britain)
 - Concentration of Effort (France)
 - Concentration (Russia)
- 5) Economy of Force (U.S.; Russia)

- Economy of Effort (Britain)
- 6) Maneuver (U.S.)
 - Flexibility (Britain)
 - Liberty of Action (France)
 - Maneuver and Initiative (Russia)
- 7) Surprise (U.S.; Britain; France)
 - Surprise and Deception (Russia)
- 8) Security (U.S.; Britain)
 - Adequate Reserves (Russia)
- 9) Simplicity (U.S.)
- 10) Maintenance of Morale (Britain)
- 11) Administration (Britain)
- 12) Annihilation (Russia)

The Objective: The principle of the objective is controlling. The absence of clearly defined objective leaves no basis for the interpretation or application of the other principles.

The Offensive: The best that can be obtained from defensive operations is merely to stave off defeat. It is offensive actions that lead to the attainment of decisive results. The undertaking offensive actions make it possible to maintain initiative, preserve freedom of action, and impose one's will on the enemy. Furthermore, it facilitates the attainment of surprise, allows for the selection of objectives. In addition, by keeping the other side busy restricts his ability to attack and therefore restricts his ability cause serious harm. Consequently, it leads to the enhancement of security. It runs through most of the research works mentioned above that offensive activities engender a high morale aggressive spirit.

Unity of Command: Unity of command is considered to be an important tool for achieving the highly essential unity of effort in operations. Unity of effort aims at creating a situation whereby all the elements of a force work harmoniously toward a

given goal. It implies the development and coordination of all power and abilities of the available forces. Coordination and the spirit of team work lead to further unity effort.

Mass: The principle of mass implies the concentration of adequate power at the proper place and time to strike a decisive blow at the opponent. Power is not defined in terms of numbers alone but also it is a measure of the over-all effectiveness of a force. In the military sense, the elements defined under power includes numbers, weapons, discipline, state of training, tactical skill, inherent fighting ability, morale, leadership, resolution, and supplies and supporting services.

Economy of Force: This principle is closely connected with the principle of mass. Basically, economy of force is a method of attaining mass. The fundamental idea which is inherent in economy of force is not niggardly conservation but the employment of available resources in most efficient and effective manner. In its broadest sense, the principle aims at determining the relative size and area of operation.

Maneuver: Maneuver in itself cannot produce decisive results. Like the other principles, it is a means of achieving superiority. The proper use of maneuver makes it possible to apply the other principles.

Surprise: Surprise is one of the most effective and powerful weapons of war. The psychological effect it can achieve on the opponent goes a long way to mump the capacity for intelligent thought or reaction. There exist various ways of achieving surprise. This includes rapidity and power of execution, secrecy, deception as to disposition, movements and plans, variation in methods and means, denial of information to the opponent and by introducing new weapons, materials and technology.

Security: Security is a means of preventing surprise and also preserves ones freedom of action. Offensive actions enhance security in that it keeps the opponent occupied and limits his freedom of action. Adequate security against surprises, call for

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reconnaissance, readiness for action and protection against the known capabilities of the opponent. Security does not necessarily imply undue caution and the avoidance of risk. It is however founded on creating a secured base for bold planning and execution of action.

Simplicity: Many variables exist to make a simple plan difficult to execute. Simplicity ensures that plans do not contain unnecessary complexities, or intricate provisions based on contingencies. Moreover, orders ought to be direct, clear and definite. Operations in themselves are inherent of complexities. Simplicity can better be achieved through training, efficiency in communication and control, and better organization and equipment.

Maintenance of Morale: Morale instills inspiration, leads to the creation of adequate care of the forces, and is also a means of eliminating ignorance of objectives. Chances of success are greatly enhanced by high morale. Moreover, high morale breeds good discipline and aggressiveness.

Administration: The complex natures of operation call for the institution of sound administrative organization, efficient communications and control, and dependable supply and support arrangements. Failure in the establishment or implementation of any of these elements can have serious effects on the conduct of operations.

Annihilation: This principle has been less explained in words. However, its meaning has been inferred from the action of the Russia during the Second World War. It implies the destruction of the collective or organized existence of an opponent.

These terms as used in the military sense of strategy have given the root meaning to the concept a strategy. Strategy as can be seen in this presentation is not all applicable to marketing. However, it is important to understand the origin meaning of this concept in order to fully appreciate its implication as a concept of global marketing. Before this, the concept of strategy will be reviewed as used in business administration.

6. The Concept of Strategy in Business Management

Many research works have been conducted to throw some light on the development of the concept of strategy in management practice. The most notable research works include those of C. Hofer and D. Schendel (14), W.R. King and D.I. Cleveland (15), I.C. MacMillan (16), M.H. Moskow (17), G.A. Steiner (18), J.B. Quinn (19), C.E. Summer (20), K.R. Andrews (21), H.I. Ansoff (22) and Uytterhoven et al. (23). These scholars provide a variety of conceptual frameworks for representing the strategy concept. Hofer and Schendel have provided a comparison of the main element of the conceptions of strategy in management field.

However some authors in the field business management including Roger Evered (24) consider Andrews' articulation of strategy as the most central and influential in the field of corporate strategy. According to Andrew, corporate strategy is the pattern of decisions in a company that determines and reveals its objectives, purposes or goals, produces the principal policies and plans for achieving those goals, and defines the range of business the company is to pursue, the kind of economic and human organization it is or intends to be, and the nature of the economic and non-economic contribution it intends to make to its shareholders, employees, customers and communities.

The summary of definitions as given by the mainstream research and presented in the work of Hofer and Schendel (25), throw some light on the interconnectedness of purposes, policies, and organized action; the interdependence of the formulation and implementation of corporate purpose; and the internal consistency of a firm's choices of identity, position and characterized by non-linear, non-sequential, non-logical conception of strategy. The major key words which reoccur in the definitions of the concept of corporate strategy are pattern, coherence, interdependence, consistency, interrelationship, and character. Basically, the concept of strategy is dominated by the determination of corporate purpose in economic, human and social terms. Furthermore, it looks at the future character of the firm in relation to opportunities, threats and constraints. Consequently, the development of purpose and attention to the future tend to be the central functions and core components of the concept of

strategy. It should however be noted that human value judgments are part of both functions. In business management, strategy is viewed as an attribute of a living system rather than a static formula to be applied by some of the authors. However, there exist a contrast thinking of strategy in technological terms including some from tactics, which are goal-reaching, mission accomplishment, or design-and -implement.

7. Comparison of the Two Strategy Conceptions

The preceding pages of this paper outlined the most distinguishing and noticeable features of military strategy which is the root of the concept of strategy and the same concept as have been developed and developing in business management in the form of corporate strategy. The following is a summary of the derived differences and similarities between military strategy and corporate strategy. They are presented in no particular order (26).

Derived Difference

- @ Both are practitioner-oriented.
- @ Both articulate interdependence of formulations and implementing actions; the thinking<====>doing dialectic.
- @ Both require economy of force.
- @ Both involve value judgments.
- @ Both advise against attacking an opponent who occupies a secure position.
- @ Both must mobilize resources in relation to preferred future.
- @ Both seek cohesion and the avoidance of uncoordinated perceived actions.
- @ Both express the importance of assessing opportunities and risks.
- @ Both attend to future situations and outcomes.
- @ Both have concerns with survival.
- @ Both depend heavily on information system and intelligence.

Derived Similarities

1.*Corporate: The most countries the CEO sets policies and directions

*Military: The General follows policies and directions set down by other policy-

making bodies.

2.*Corporate: Deception not mentioned.

*Military: Deception is central to the concept.

3.*Corporate: Direct approach only implied.

Military: Distinction between direct and indirect approaches.

4.*Corporate: Usually clear single goal, but with some contingency planning.

*Military: Necessity for multiple or alternative objectives.

5.*Corporate: Awareness of situational change but not equilibrium/disequilibrium.

*Military: Notion of the equilibrium/disequilibrium of a situation.

6.*Corporate: Purpose must be explicated and developed.

*Military: Purpose given.

7.*Corporate: Resources are primarily economic

*Military: Resources are primarily weaponry

In conclusion, by studying the root of the concept of strategy from its development in the areas of military, it is clear that the concept has changed significantly as applied in corporate management. Strategy in corporate management aims at generating viable directions that lead to satisfactory performance in the market place, given a variety of legal constraints and the existence of competitors. Strategy is characterized as rivalry amongst peers, for prizes in a defined and shared game. In the military field, strategy is viewed as the art of winning a protracted struggle against adversaries. Military strategy is viewed as an enduring struggle between enemies. Power and control of the other's behavior is the prize. Some features are either unique to the field of military strategy or corporate management strategy.

Unique to Corporate

Purpose-defined

Identity-molding

Exchange (especially market) medium

Continuous measure of performance

Multi objectives

Multi-party game for payoff

Unique to Military

- + Opponent-transformation
- + Deception
- + Indirect approach
- + Policies, directions and purpose given
- + Danger of single objective
- + Game against opponent

The task of corporate strategy is different from military strategy although in certain areas similar language is used. This includes capturing and defending market share, cut-throat competition, corporate takeover, market penetration, room of maneuver, making a move, retrenching among others. Literature on strategy management and planning has witness significant developments since the writings of Chandler (27). Central to the definitions of strategic management is the definition of Andrews (28). Based on the works of Steiner and Miner (29), three more dimensions have been added to the main determinants of strategy. Apart from the element of purpose and futurity, top corporate staff in the enterprise have to do the most part of corporate strategic planning. Secondly, strategy gives shape to an organizational structure. This structure is integrated at all levels, major objectives, policies, and functions of the organization. Thirdly, a strategy in management should be conceived as a comprehensive process.

8. The Concept of Strategy in Marketing

According to Yoram Wind and Thomas S. Robertson (30), marketing strategy has a high degree of overlap with business strategy and basically ought to be considered as an integral part of as well as, as a perspective for business strategy. The fundamental uniqueness of marketing strategy which makes it different from business strategy is that it serves a boundary role function between the business unit and its customers, and competitors and market. The two professors mentioned above contended that marketing develops strategy based on analysis of consumers, competitors and other

environmental forces which then should be combined with other strategic inputs (such as financial, R&D and human resources) to arrive at an integrated business strategy. This form of relationship between marketing and business can be traced to the development of the concept and activities of marketing. The broadening of marketing concepts into other areas outside traditional business as initially proposed by Philip Kotler (31) does not render this relationship invalid.

The traditional concept of strategy in marketing was presented by A.R. Oxenfeldt in 1962 (32). Oxenfeldt stated that the task of strategy in marketing is to select target market and to organize the marketing mix. This interpretation of strategy was the basis for defining marketing strategy until the 1970s when consulting firms became the center for defining the course of the concept of strategy in marketing. The best known consulting firm is probably the Boston Consulting Group (33) which led in the development of the growth-share matrix, portfolio analysis and the once popular menagerie of cash cows, dogs and starts. The publication of the research results of the Profit Impact of Market Strategy (PIMS) developed by the Strategic Planning Institute in 1975 (34) added to the grip consulting firms held on defining the concept of strategy. However, the concept of strategy in marketing became applicable to top management planning. That is, strategy in marketing management which was initially considered at the level of marketing as one of the functional areas has become an integral part of corporate strategy and or business activity.

With the passage of time terminologies like market strategy, strategic marketing planning, strategic marketing, among others have found their way into the field of a new concept of marketing strategy. Basically, two levels of marketing strategy have been identified by most researchers in the field of marketing (35), (36). These are marketing strategy at the business unit level and marketing strategy at the corporate level. Strategy at the business unit level is not aimed at merely integrating the various functional marketing activities (the 4P), but also it has the task to integrate the other business functions (for example production, financing, (R.&D) in order to meet the needs of the market and society. Traditionally, marketing at the corporate level has been defined to include a vast area of activities for example as a philosophy,

business objectives, business portfolio planning, and business position analysis among others. The present nature of research and activities related to strategy in marketing make it necessary to identify the basic type and perspectives in this area. The fundamental approach adopted can create differences in providing the types of strategic approaches that can be found in marketing. The following three main divisions have been adopted in this paper. Namely, basic strategies types which deal with the market, basic strategies types which deal with competition, and basic strategies types which deal with technology.

8. Basic Strategies Dealing with the Market

One of the central topics which have been facing traditional marketing strategy is the choice of the target market for the operation of the company at both the corporate level and the business level. Philip Kotler (37) has attempted to provide an answer to this issue by proposing a classification of market targets. Namely, undifferentiated marketing strategy, differentiated marketing strategy and concentrated marketing. Under an undifferentiated marketing strategy, the firm might decide to go after the largest part of the market with one offer and marketing mix, trying to attract as many customers as possible. The firm therefore chooses not to differentiate between market segments which make up the market. Consequently, the market is treated as an aggregated whole by focusing on the common needs of the people rather than on the elements which make them different. Where a firm adopts a differentiated marketing strategy, the firm might decide to go after several market segments, developing an effective offer and marketing mix for each. Basically, the firm operates in two or more segments of the market but designs different products and/or marketing programs for each of the segments. Lastly, is what has been termed concentrated marketing strategy which means that the firm might decide to go after a narrow market segment and develop the ideal offering and marketing mix. The undifferentiated marketing strategy and the differentiated marketing strategy both aim at the whole market. The third possibility is appealing under a situation where the resources of the firm are highly limited. Instead of going for a small share of a large market, the firm does not operate in many parts of the market in small bits, but concentrates its capabilities to gain a good market position in a few areas. The table below is a summary of the

propositions put forward by Philip Kotler.

Table-One

Strategies for Responding to the Revealed Market Structure

| Target | Strategic Response | |
|----------|--------------------|------------------|
| Market | Segmented | Unsegmented |
| Whole | Differentiated | Undifferentiated |
| Specific | Concentrated | |

Basic Strategies Dealing with Competition (Especially for Firms in the same Industry).

The focus of strategies which can be classified under basic strategies dealing with competitions is survival; and growth of the firm and its market in an industry and market. One of the major research works that can be cited in relation to basic strategies dealing with competition is that of Hall (38). The research work of Hall focused on two issues. These are: (a) How are industry structures in the mature markets evolving in the face of adverse external pressures (especially in the 1970s)? (b) Given this evolution, what business strategies are appropriate? Which strategic choices give the changes for survival, growth, and returns in the hostile environment? Hall selected eight major manufacturing industries for the study. Within these industries, Hall examined the strategies and evolving competitive positions of the 64 largest companies. Hall further conducted an in-depth examination of the strategies used by the top two performing companies in each of the eight industries. The results of the studies revealed that all the 16 leading companies have shown a continuous, single-minded determination to achieve one or both of the following competitive positions within their respective industries:

(i) Achieve the lowest delivered cost position relative to competition, coupled with both an acceptable quality and a pricing policy to gain profitable volume and market share growth.

(ii) Achieve the highest product/service/quality differentiated position relative to competition, coupled with both an acceptable cost structure and a pricing policy to gain margins sufficient to fund reinvestment in product/service differentiation.

Porter (39) provides an example of the second type of strategies in this area. Porter conducted his studies at the same time as Hall and arrived at three potential successful generic strategies for defending and outperforming competitors in a given industry. (a) The first relates to overall cost leadership without neglecting or sacrificing quality, service among others. The emphasis was on low cost relative to competitors. (b) The second aspect of such a strategy is based on differentiation which calls on the firm to create something, either a product or a service that is recognized throughout the industry as being unique. Consequently, permitting the firm to control pricing leads to higher than average price. (c) The third was termed by Porter as a focus strategy. Under the focus strategy, the firm concentrates on particular group of customers, geographic markets or product line segment. These three generic strategies represent three broad types of strategic groups. As a results, the choice of a strategy can be seen as the choice of which strategic group to compete with. The firm which creates an orientation toward specific strategies should outperform firms characterized by Porter as stuck in the middle. The class of firms stuck in the middle, by failing to develop their strategy along at least one of these three categories of strategy, only achieves low profit in its operations.

The classifications made by Hall and Porter are almost the same except that Porter added a focus strategy. However in later studies, Porter (40) did incorporated the focus strategy in cost leadership and differentiation. Many other marketing strategies and strategy models for example leader, follower, challenger, and niche strategies proposed by Philip Kotler (41) and Shimaguchi (42) come under this type of marketing strategy.

Basic Strategies Dealing with Technology

Creating competitive advantage has also been proposed based on technological innovations (43). The propositions related to this have been limited mainly to product innovation and process innovation with emphasis on manufacturing processes. Another perspective often adopted from the point of view of strategy is to find out whether the firm follows a fundamental strategy by which technological innovations is the first means to introduce new things or for the firm to wait to imitate new products. Based on this perspective a differentiation has been made between technology leadership and technology follower respectively (44). These strategies may be considered to relatively fall under basic strategies which deal with competition rather than technology.

Technology used as a marketing strategy response, is more than just nuts and bolts. It involves an elaborate and comprehensive systems of planning and production through which a company's abstract technological and other related capabilities are translated into goods and services. The core of marketing activities is then designed to revolve around such systems. In other words, technologies assist in defining the range of marketing possibilities. Two main forms of strategies can be identified under this form of strategy. These main forms of strategy are the extensive central technology strategy and the branching technology strategy. The company adopting an extensive central technology is described as using the kind of broad competence which offer seemingly endless potential for introducing new products and services. On other hand, the company which adopts a branching technology strategy is the kind which limits its expertise and evolves step by step in progressively unrelated directions.

These three broad types of marketing strategies cover many specific marketing strategies which have been propose in the field of marketing. They could also be defined in terms of business strategies. However, in order to develop structural framework for theoretical analysis purposes, it is necessary to provide taxonomy of marketing strategy constructs. The taxonomy use in this paper is based on the research works of Dale A. Lunsford and Raymond W. LaForge (45). This taxonomy is built on two constructs. Namely, a strategy process construct and a strategy

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content construct. These two constructs are differentiated according to the hierarchical levels in multibusiness, multiproduct firms. The basic task of this taxonomy is to present a consistent use of strategy terminology. Two of the widely used terminologies are strategic marketing and marketing strategy. The term strategy is one of the most widely used words in marketing.

Some researchers have raised the issue that the term strategy is found too often in research works related to marketing. In relation to this, it has been argued that the word strategy has been unjustifiably included in the title of many articles and books in an attempt to improve their importance and academic respectability (46). Furthermore, it has been noted that the ubiquitous word strategy is used to refer to everything that is deemed important in marketing research (47).

One of the basic approaches which is often found in articles is to use the military approach of differentiating between strategy and tactics as explained earlier in this paper to differentiate between strategy and tactics in marketing. The aspect of marketing which is equivalent to tactics has traditionally been defined as marketing management. However, as argued earlier in this paper, there is no clear cut definition between strategy and tactics even at the original military meaning. The taxonomy adopted in this paper is an explicitly labeling marketing based on its strategic role and organizational levels in a firm. First, the taxonomy draws a fundamental distinction between process which is defined as the input, and content strategic roles of marketing. Secondly, the constructs are differentiated according to organizational levels which are sufficient to deal with the critical strategy levels in multibusiness, multiproduct firms.

Table Three

A TAXONOMY OF MARKETING STRATEGY CONSTRUCTS

| | | |
|------------|----------------|------------|
| Process | Organizational | Content |
| Constructs | Level | Constructs |



•Adopted and modified after Evered and Green

Finally, these two constructs are interrelated. The strategic content output of one organizational level serves to define the strategic process input a lower organizational level. The content of corporate strategic plans defining the domain of a particular business unit will direct the information and analysis marketing contributes to the strategic process input at that business level. Because of the interrelatedness, strategic decisions are made not only at each organizational level. It is clear that to

some extent, the difference between strategic marketing and marketing strategy is defined through this taxonomy. The role of marketing process is loosely described as strategic marketing. The three constructs which define the process role of marketing content is broadly described as marketing strategy. These three constructs explain the unique role of marketing at different organizational levels.

Process Constructs

The role of marketing strategy development as shown by the taxonomy is to act as a bridge in sequential levels of the organizational hierarchy. Therefore, marketing can be used as a source for developing and evaluating alternative strategies. The basic element for drawing distinctions between each construct is the strategic unit. Different units of analysis for "strategy-making" can be identified at each of the organizational levels.

(i) Strategic Corporate Marketing:

The construct of strategic corporate marketing deals with marketing process at the highest level, that is the corporate level of a corporation. Apart from dealing with the corporate needs of the corporation, strategic corporate marketing is developed to promote favorable exchange relationship with difference related establishments and publics.

(ii) Strategic Business Marketing:

The strategic business marketing construct is defined as the marketing process at the business level. At this level, marketing provides analysis and information concerning products, markets, and competitors as a basis for determining how the business unit can develop sustainable competitive advantages.

(iii) Strategic Marketing Management:

Basically, the strategic marketing management terminology was used by Lunsford and LaForge to merge the two strategic perspectives mentioned earlier. That is strategic corporate marketing and strategic business marketing. Activities tend to become less strategic but more tactical as one moves down the organizational hierarchy. However, it has been contended that there is still a strategic element at the product level. The strategic marketing management construct is postulated to straddles the midpoint of the strategy-tactics continuum.

(iv) Marketing Management

The unit of analysis for marketing management can best be applied to marketing mix. At this level, marketing activities tend to be more tactical although they contain strategic elements. Consequently, marketing management is considered to provide the bridge between strategic marketing activities at the lowest level of the organization and marketing tactical activities.

This taxonomy presents four separate processes for strategy development. It postulate a general structure for considering marketing input at different levels of an organization.

Content Constructs

Corresponding strategies are developed in the form of strategic corporate marketing, strategic business marketing, strategic marketing management, and marketing management. It is clear from the review of the works of many scholars that the term marketing strategy has been a catch-all terminology to refer to strategies at different levels of an organization. The resulting problem of this loose usage of the term is that, it is difficult in most cases to integrate the thinking and research results of scholars in the field of marketing research. The taxonomy presented earlier can be used to tackle this problem by examining the following five constructs. Three of them being different forms of marketing strategy.

i) Corporate Strategy:

The corporate strategy construct as defined in traditional business studies is concerned with the current and desired business portfolio for the corporation. Decisions related to corporate strategy are made at the highest corporate level and consequently it has been contended that there is no separate marketing strategy at this organizational level. However, marketing plays an important role by providing analysis and information among others about business and business opportunities. Marketing input provides a basis for resource allocation to existing business units and for indentifying businesses for entry and divestiture.

ii) Business Strategy:

The business strategy construct basically addresses issues related to decisions that determine how each business unit will function and/or compete within an industry. It

lays emphasis on meeting the needs of all concerned with the activities of the organization and also work to integrate all the functional areas of the business to develop and maintain the desired competitive advantages. This is the construct which contains specific marketing strategies since it is located at the business unit level. Three separate forms of marketing strategy constructs can be postulated. These are differentiated according to strategic scope, resource deployment, and positioning perspective.

iii) Business Marketing Strategy

The business marketing strategy construct compose of marketing related decisions at the business level. Decisions at this level are related to two areas. Firstly, it defines the product mix and market scope of the business, and secondly, it determines the allocation of resources across product lines. In addition, the business marketing strategy also deals with the issue of competitive advantage. Competitive advantage is achieved by defining the desired positioning of business unit within the industry. An industry is made up of several strategic groups of companies. Companies belonging to the same strategic group employ similar strategies. Strategic groups within an industry may be defined in terms of full product line vs. moderate product line vs. narrow product line strategic groups. Positioning at the business unit level can be viewed as determining the appropriate strategic group membership for the business unit.

iv) Product Line Marketing Strategy

Decisions under product line marketing strategy relate to matching brands within the product line with the appropriate market segments and also with the allocation of resources across these brands. Furthermore, it deals with the desired positioning of the product category within the strategic group. As a result, the product line marketing strategy aims at achieving competitive advantage within the strategic group. The product line marketing strategy differs from the business marketing strategy since the latter conducts its activities with emphasis directed toward the whole industry.

v) Brand Marketing Strategy

Decisions under this construct are geared toward the determination of specific target segments and marketing mix for each brand. Consequently, the brand marketing strategy defines a desired positioning against direct competing brands. Often the traditional marketing survey of marketing and research activities are conducted at this

level.

In conclusion, this taxonomy provides a structural framework especially to guide theoretical analysis and postulation in this area of marketing strategy.

It is important as a framework upon which comparison and review of previous research can be undertaken. Moreover, and especially to this paper, it a test for ascertaining whether marketing activities and concepts proposed to be strategy oriented deserve such naming. Although admittedly the definitions given to these constructs are to some extent vague, they at least differentiate between the basis domain of related terminology. The definitions of these constructs are means rather than ends in themselves.

II. CONCEPT OF STRATEGY IN GLOBAL MARKETING

1.Strategy Constructs and Global Marketing

The presentation of the origin of the concept strategy and the meaning of the concept especially in business administration as well as in marketing are attempts to clarify the appropriateness of the use of the term global marketing strategy. Philip Kotler (48) is one of the known scholars of marketing who have made extensive use of terminology of military strategy in describing marketing strategy. Although Kotler did not specifically made reference to military form of strategy and tactics, terms which originate or can be said to be peculiar to military strategy can be found in his analysis and prepositions related to marketing strategies for market leaders, challengers, followers and nichers.

In proposing strategic actions that a market leader can adopt to protect its market share, Kotler uses terms like position defense, flanking defense, preemptive defense, counteroffensive defense, mobile defense and contraction defense, mobile defense and contraction defense which are all terms originating from the field of military strategy. Furthermore, in proposing attacking strategy alternatives for the challenger, Kotler used terminology from military strategy and tactics such as frontal attack, flank attack, encirclement attack, bypass attack and guerrilla attack. Kotler did not explain the reasons for using such terms but it is clear that such use of terms acknowledge the origin of the concept of strategy and its relationship to the concept of marketing

strategy.

In this respect reference to the origin of the concept of strategy was made in this thesis to examine the appropriateness of the concept in globalization of the firm. Global marketing has been postulated to be a strategy in international marketing by Levitt and other scholars. Consequently, global marketing will be assessed within the context of marketing. First, in an attempt to find the place of global marketing within types of marketing strategies, it is highly tempting to put it under basic strategies dealing with the market. The main reason for such a tendency is that terms like area, domestic, national, international and global connote markets. Moreover, the temptation to ascribe global marketing to basic marketing strategies dealing with the market easily comes to mind if the perspective that global marketing is recognized as an applied field of marketing.

However, a closer look at the genesis of the concept global marketing as put forward by Levitt and in other research works places global marketing under types of basic strategies dealing with competition. Although such a dilemma shows a weakness in ascribing specific strategies to the basic types of strategies, it assist in placing global marketing as a "continuum strategy" stretching through a market approach and competition approach. In addition, defining global marketing as a strategy becomes an important element when global marketing is viewed from the angle of standardization. Many researchers in the field of global marketing make reference to the issue of strategy in both production and marketing as a major tool for deciding to go global.

2.The Framework of Taxonomy of Marketing Constructs and Global Marketing

In analyzing global marketing from the framework of taxonomy of marketing constructs, it is clear that most of research works of scholars in this field have been concentrated at the marketing mix level with prominence given especially to advertising and to some extent products. On the other hand, Takeuchi and Porter (50) and other researchers whose unit of analysis is the industry see marketing strategy constructs as occurring at the business level. The current trend of argument including the works of Ohmae, Leontiades, and Rosenberg (51) position global marketing as a corporate strategy. These approaches to global marketing strategy imply that as a unit of analysis of marketing, it can be considered at all the levels

of traditional marketing strategy. Global marketing therefore can substitute the implicit unit of analysis of marketing which was stated earlier to be the domestic/national marketing. On the other hand, this paper takes the perspective that there is no separate global corporate strategy construct since corporate strategies are made at the highest level of the organization. However, global marketing strategy can be considered as the most important input corporate strategy.

3. Global Marketing as Strategy

Strategy is the choice of markets the firm will serve. Furthermore, it is the choice of the scope of the firm's domain, including decisions about expansions, defense, and contractions of that domain. The proliferation of models and matrices to tackle strategic issues in marketing can be found mainly at the business unit level. The contribution of marketing to corporate strategy is as follows:

- i) It provides philosophical conceptual and methodological inputs to corporate strategy (especially with its emphasis on the customer as the focal point of strategy).
- ii) It defines the environment and also it the basis of analysis of the environment (technological, economic, social, political).
- iii) It also contributes to provide a basis for organizational analysis (strengths/weakness, personal values).
- iv) It is a tool for measuring and evaluating performance(dynamic analysis of customers, competitors, and strategic choice).

Although these contributions are indispensable to the concept of global marketing strategy, they have receive little attention in defining concept of strategy in global marketing.

Although analysis in this paper concentrated at the business unit level, the inputs of global marketing to the overall corporate strategy is very important. Especially emphasis will be place on relevance of these inputs to marketing in overseas countries. This means that there is the need to look at the perspective of using global marketing as a strategy. However, there are two main schools of thought in strategic decision making and consequently this can also be found in marketing strategy. The next section looks at these schools of thought and attempts to interpret their elements in global marketing strategy.

III. PERSPECTIVES IN GLOBAL MARKETING STRATEGY DECISION-MAKING

1. Perspectives in Strategic Decision Making in Business and Marketing Researchers differ in their conceptualization of strategic decision making. One school of thought adopts a normative approach and conceptualizes strategic decisions mainly in terms of content/result of strategy. Others conceptualize strategic decision making in terms of a process which lead to a specific decisional result. Traditionally, the spheres of marketing and strategic management have primarily emphasized normative approaches in the formulation of strategy. These approaches have been adopted by most researchers including Andrews; Hofer and Schendel ; Kotler (52). These scholars outlined the formulation of strategy as including activities such as setting goals, monitoring the environment, assessing internal capacities, searching and appraising alternative actions, and evolving an integrated plan to accomplish these goals. Within this school of thought, prominence is placed on a rational approach to strategy content. According to this rational orientation, the firm speaks with a unitary voice or can be composed of omnipotent, even heroic general managers or chief executives, looking at known and consistent preferences and assessing them with voluminous and presumably opposite information, which can be organized into clear input-output relationships. This approach is typified by the strategy- structure- performance approach.

2. Strategic-Structure-Performance-Perspective to Global Marketing Strategy

One of the earliest treatment of the issue of strategy and structure can be found in the works of Alfred D.Chandler, Jr. Chandler set out to write a business history of American(USA) companies by examining the methods different firms pursued in their attempts to achieve the same results. The author paid attention to the structures through which business activities were performed. A greater part of the book was devoted to the administrative histories of four U.S.A. companies. Chandler used the term administration to include executive actions and orders as well as the decisions taken in coordinating, appraising, and planning the work of the enterprise and in allocating its resources. Propositions

advanced by Chandler showed that the size of the firm (large or small) had an effect on administrative activities. It was asserted that administrative tasks involve long-run health of the company as well as the smooth and efficient day to day operations of the company. The former was termed strategic decision and the latter referred to as tactical decisions. The underlying factor of growth of a firm was considered to be strategy. The organization created to handle strategic activities was termed by the structure. Strategy was defined as the determination of the basic long-term goals and objectives of an enterprise. Furthermore, it was said to include actions adopted and the allocation of resources necessary to implement such goals.

A structure in this respect was identified as either formal or informal but possessed two dimensions. Line of authority and communication, formed the first part of a structure. The other aspect of a structure follow strategy. Complex structures were the result of concatenating several basic strategies. The primary function of these organizations is to supply goods and/or services to society (54).

The basic hypothesis upon which a firm takes decisions are based on the survival drive. This hypothesis states that when any firm is confronted with the prospects of extinction, it focuses all of its energy on a search for a survival strategy. The profit-oriented task of CEO the firm is divided into three distinctive divisions(55).

i) Entrepreneurial task. The task in concrete terms the fading out obsolete products, creating new products, identifying customers for products, creating product attractiveness and establishing new products on the market.

ii) Operations task. This task is concerned changing inputs into finished products.

iii) Marketing task concerned selling and delivery of products to customers.

The entrepreneurial and marketing tasks and seen as the strategic work of the CEO. The environment has three dimensions. It could be in a stable condition (requiring a budgeting response model), or be at any of the higher levels of turbulence (requiring strategic adaptation model). The third dimension was showed a transition to a new level of turbulence. The level of turbulence in a industry was defined as the state of knowledge at which CEOs in that industry must

begin to act in order to respond effectively to changes in the environment. Culture within the CEO is either change-seeking or change-resisting. Power then becomes centralized or distributed. Two types of leaderships can develop. These are strong and weak leadership. In the same tone, resources available to the CEO are either adequate or inadequate to support a given strategic shift. Strategic shift is the result of product or tertiary response. Where an initial response resulted in a crisis, a secondary response meant a shift in power, and the tertiary response was defined as a strategic shift. A strategic shift is to follow the typical strategy-structure sequence of Chandler. Before the CEO goes bankrupt, the capacity to effect transition of the thrust could be adequate or not adequate.

Four sets of decisions can be identified as associated with strategic market plan. The first set was in relations to decisions concerning the definition of a business. Such a definition ought to cover two areas. These are areas which can be termed as product/market scope and the product/market segmentation. The second set is concerned with the determination of the mission (or role) of the business. This involved performance expectations in the form of sales growth, market, share, and return on investment, net income and cash. The third, formulating functional strategies, included marketing, manufacturing, R&D, after sales service, physical distribution, etc. Budgeting(that is cost) is the element which dictates the planning cycles. Abell and Hammond (57) have differentiated strategic market plan from marketing plan.. Strategic market plan is defined to embrace all areas of an organization's strategy in the marketplace. On the other hand, a marketing plan is outlined to deal mainly with the delineation of segments and products, channels, communication, pricing policies, and other marketing mix.

It is clear that for a global marketer to succeed, he must be capable of harmonizing his strategy with the marketing structure (58). The achievement of this rests on an understanding that the concept of strategy and structure. In what can be described as a form of environmental approach, Thorelli took an

ecological perspective in analyzing the relationship between strategy and structure. The firm, marketing strategy, and market environment are in an open interaction system. The ecological marketing concept attempts to integrate client need and company's resources into the concept of consumer oriented marketing approach. Like a biological organisms, the company depends on the environment for its existence. The environment comprises a series of inputs and outputs elements of the markets in which the company must interact. The continued existence of the company in the long-run in a market depends to a greater extent on satisfying consumer needs, but that is not the only element for its survival especially in an international marketing environment and consequently, in global marketing.

There are four critical and interdependent elements to be considered in relation to global marketing. Firstly, global marketing strategy governed the interplay between the company and the environment. The aim of global marketing strategy (marketing strategy being used in the same sense) is to target the corporate objectives which are said to be reached through actually achieved performance. This approach to marketing postulates in effect means that a company trying to meet its objectives in a certain environment (international market structure) should expect to find some marketing strategies a lot more workable than others.

A market structure is defined to cover all the relevant characteristics of the marketplace in which the firm is enclaved. This includes customers/consumers, middlemen, competitors, and product offerings, among others. Marketing strategy refers to the approach or the stance that the firm takes to meet the needs of the market structure. Accordingly a strategy must also include a means of harmonizing corporate resources, domain, and objectives with environmental opportunity at acceptable levels of risk. It is the principal means of arriving at key objectives, which is often long-range in nature. In global marketing strategy formulation account should be taken of three levels of environment. Namely, market structure, local and overseas marketing environment, as well as the international interface.

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Basically, this involves the choice of strategy and structure, Strategic choice can be represented in the following form:

Environment + Organization Capabilities + Current Competitive
Position=>Strategy.

In concrete terms, the environment is defined as technological, economic, social and political influences external to the firm. Organization capabilities are the human and physical resources possessed by the firm.

Competitive position comprises the firm's reputation, market served, relative market share, and so on. Strategy is further required to include the choice of markets the firm intends to serve, scope of firm's domain(including the defense, expansion, and contraction of such a domain). Strategic management from the point of view of global marketing is undertaken at both the corporate and business unit levels. However, it is at the latter level that proliferation of matrices and models to address issues related to strategic management are prominent. It is important to note the difference between the two levels, but at the same time it is necessary to combine the strategic choice criteria to examine the contribution of marketing at both levels. Generally, the consumer form the core of marketing strategy. In global marketing, marketing defines the environment with regard to what seems important in establishing a relationship with customers.

Regarding global marketing strategic planning, without a clearly set out objectives, planning is meaningless. The major link between the goals and objectives the organization want to achieve and the various functional activities vary global marketing. Although goal formulation precedes strategy, it must also be interactive with the process of formulating strategy.

It is essentially a state of mind or a global perspective that recognizes the fact that where firms meet the real needs of customer coalitions, they will survive. One of the main function of global marketing in strategic planning process is to communicate this viewpoint to marketing in strategic firm and the other functional areas. The second major role of international capture preferred positions.

Strategy also refers fundamentally to an adoption pattern between the environment and the organization. Strategy decides the development of resources to meet

environmental changes. Strategy forecasts the future and show the long-run direction of the organization. A strategic management model does not deal with short-run environmental adaptation. Rather it attaches importance to long-run environmental adaptation capabilities. Strategy has to make some sacrifices a lot to arrive at long-term existence capabilities. The environment can offer opportunity to new entrant but can be a threat to existing firms. Okumura, however points out that the interactions of these elements must lead to the achievement of desired performance.

In general, a strategy can be defined as a unified, comprehensive, and integrated plan that relates the strategic advantages of the firm to the challenges of the environment. In addition, it should be designed to ensure that the basic objectives of the enterprise are achieve though proper execution by the organization. Strategy is supposed to deal with long-range decision, and forecast. This applies to global marketing strategy

4. Process perspective:

Authors like Hutt, Reigen, and Ronchetto (59) trace foundation of the process school of strategic decision to Simon and his colleagues, namely March, Cyert and Trow. According to the process strategic decision school of thought, the ability of organizational managers to process and store information is limited. Consequently, alternatives and their related results are seldom known with clarity. As a result, when choices are made they reflect the discovery and selection of satisfactory, rather than an optimal, alternative. The dimensions of a decision process are (a) common processes that recur within the organization, and (b) problem-solving processes that involve the search for desirable courses of action (60). It is argued by this school of thought that processes lead to the effective formulation of and implementation of strategies.

According to this school of thought, the allocation of resources is fundamentally bottom-up, and three-phase political process. Multiple levels of management are suppose to participate at the various stages of these processes. Technical and economic terms (definitional process) are used to define proposals at the

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product/market level. Corporate level management participates in the process when strategy generation take place. Consequently, corporate-level management influences the proposals that will be defined and given impetus in the organization (firm).

Companies increasingly introduce more advance information system to cope with uncertainty in their environment. However, new uncertainties often spawn within the organization. These uncertainties are the product of the introduction of new method and procedures within the organization in place of long-established ones. Groups or SBU within the organization have different goals, time horizon, values, and styles for solving problems. Furthermore, strategy formulation and change processes in organizations are partly the outcome of processes of competition between these rationalities expressed through language, priorities, and values of the groups or SBU within the organization. However, rather more diffused perspectives are being adopted by specialist groups from planning, operation research, organizational development, or personnel.

In strategic decision processes, organizations decisions are described as unstructured. Unstructured strategic decision include the following: i) unstructured decisions are taken under a situation that is not in the same form as the organization has faced in the past and for which it has no established ordered responses and ii) Strategic decisions are those that are important from the perspective of their significance in resource committed, action initiated, or precedents set. This school of thought does not postulate a steady, systematic and undisturbed progression step by in a strategic decision process, but rather it shows that process decision making is dynamic, operating in an open system where it is subjected to interferences, feedback loops, dead ends and other factors. The strategic decision process is characterized by novelty, complexity, and openedness, and also by the fact that the organization usually begins with little understanding of the decision situation it faces or the route to its solution, and only a vague idea of what that solution might be and how it will be evaluated when it is developed. It is only by groping through a recursive, discontinuous process involving many different steps and a host of dynamic factors over a considerable period of time is a final choice made. Distinction is made between deliberate strategic (intended

strategies that become realized) and emergent strategies (realized strategies that, at least initially, were not intended).

The concept of logical incrementalism which is an important concept in process strategy describes the process of strategic changes operative in an organization. It is contended that an organization moves steps by step from early generalities to specifics, further refining the strategic course incrementally as new information emerges and organizational or political constraints allow or dictate. Such an incrementalism is not muddling but it is a purposeful and effective management technique for integrating both the analytical and behavioral dimensions of strategy formulation. However, as the original strategic position becomes clear, leading units may emerge to guide specific strategic course or units may initiate internal momentum around partial decisions. The choice and selective nurturing of these champions and groups will inevitably shape the direction of the strategy itself.

5. Characteristics of the Strategic Process School

Most conclusions drawn by the strategic process school are mainly from case studies. The case study approach seems to be the popular tool of this school of thought since its proponents emphasize strategy formulation in a real organizational environment. Such an approach may provide important insights into strategic decision making and change. This school of thought view strategic processes not as a linear progression from strategy formulation to strategy implementation , but in the form of multiphase processes where the results of decisions are molded by the interests and commitment of the forces (individuals and groups) within the organization. Furthermore the organization receives momentum from the forces, important changes in the environment and the manipulation of the structural context to achieve such goals. It is clear that the strategic process school's approach throws light on the significance of examining the role of the marketing function in adaptive and emergent strategies.

6. A Strategy-System-Performance Approach: Linking Structures and Processes to Form a Global Marketing Strategy.

It is postulated in this paper that a firm is often faced with different types of strategic decisions and each type calls for a different group of process and structure. Most research related to strategy or which focuses on only the issue of strategy have adopted one of these schools of thought of strategy. There is however an eminent need to integrate the structure and process schools of thought especially in analyzing firms faced with global markets. Consequently, this paper adopt an integrated approach of Structure + Process = System. Such an approach is necessary in view of the fact that: i) a dynamic model is needed to analyze the strategic behavior of the firm faced with a global market ii) one of the major role of the global marketing function in such a firm is to present a means of organizing marketing activities within the structure. 3) a study of a the marketing activities in an overseas market (country) - requires a system of structure and process 4) marketing organizational failures are the results of the failures to create the necessary relationship between the structures and processes. v) a study of a global marketing strategy requires both the rational approach of the structuralists and the uncertainty approach of the process school. 6) strategic diagnosis have to be implemented through both appropriate structures and processes. Processes provide considerable guidance to the setting up of structures through which to implement or redefine strategies. 7) Processes to a large extent determine the size of the structure and also the response of the structure to a strategy.

7. The Element of Time in Defining Global Marketing Strategy

Many authorities on the subject of strategy consider long-range planning as strategic. It is asserted that the task of strategy is to interpret the firm's basic objectives and directions, and also to formulate major courses to achieve the goals of the firm. One of the main elements of strategy is the time dimension. There is the need to differentiate between long-range planning and implementations of the firms programs and the short-range planning and implementations of the firms activities. Although the element of time may seem very important, this paper adopts a perspective which does not necessarily indicate in concrete terms the time dimension. Two main reasons underlie the elimination of the time dimension in this paper. Firstly, it is clear that there is no specific consensus among authorities and

researchers of strategy on the length of long-range plan.

Moreover, some case studies conducted on some companies about the period of strategic planning indicates that the length of such planning differs from firm to firm as well from industry to industry. Consequently, the time dimension is relative in meaning and application. The second major reason is that only two periods of time were referred to by these researchers. Namely, the long-run and the short-run. However from the point of view of planning, at least sight should not be lost of medium-range planning. This stage has become increasingly important for information gathering and also for communication purposes. Although most researchers play down on the medium-run dimension of time, it calls for attention in research where the time dimension becomes a major element in such a study.

IV. CHARACTERISTICS OF GLOBAL MARKETING STRATEGY BASED ON STRUCTURE-PERFORMANCE AND PROCESS-PERFORMANCE APPROACH RESEARCH

It can be concluded from the review of these works and research materials that there are both agreements and disagreement among the authorities on the discipline of strategy in the definition and use of the major concepts which constitute the basis and components of the theme of this paper. The review gives a general insight into the trend of research in the field of strategy in general, and to some extent strategy and marketing. Three main views can be deduced from the review made so far. First, is the view point that strategy is the task of top management. Strategy therefore, is supposed to possess peculiar characteristics which can be handled only by top management. Secondly, these schools of thought attempt to postulate that marketing concepts and models should be the basis of strategic planning. Lastly, it should be noted that strategy has both a corporate dimension and also an SBU dimensions. The need for a structure through which strategies can be implemented is seen by all the researchers as a necessary prerequisite. It appears there is a greater consensus on what the structure is. Although most of the researches made reference to the concept of environment, there exist vast differences in the definition of an environment.

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In this paper the primary environment is the global market mechanism. The approach adopted in this paper to includes not only legal, social, and political forces, but also international relationships and history and other elements which lead to determine the nature of global marketing strategy.

In this paper the results achieved by the firm has been defined as its performance. This extends from qualitative assessment of competitive position to quantitative financial measures, including global market share, growth in sales, profit exports among others.

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