

## An Evaluation of a Marketing Plan as a Managerial Strategy for Enhancing Competitive Performance in Lafarge Holcim Cement Africa

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**ABSTRACT** This research is an evaluation of a marketing plan as a managerial strategy for enhancing competitive performance using Lafarge Cement in South Africa as a case study to examine the structure of a marketing plan, to investigate the major problems if any likely associated with a marketing plan as a competitive tool, to examine whether an effective marketing plan will assist an organization in increasing sales volume through a reduction in finished goods inventory and by extension enhancement in pre-tax profit and to examine whether effective marketing plan can assist the organization in creating and sustaining competitive advantage. The research adopted the questionnaire instrument to gather relevant information while percentages, tables and ration were used to analyze data. One of the findings of this research is that a number of market leaders who have competitive edge in the market place make extensive use of marketing plans as a strategic tool. The research recommended among others that in order to enjoy the benefits of marketing plan, periodic marketing research should be conducted, which will bring into proper focus the demand of the customer.

### INTRODUCTION

A marketing plan is a written statement that defines the strategies, tactics and resources that a company will employ to reach its business objectives. Put more simply, a marketing plan is the “why” behind whatever a company plans to do to achieve its sales objectives.

A marketing plan has two key objectives, it can serve as a reality check to help one determine the likelihood of achieving the marketing objectives and it can serve as a communication vehicle to help one sell one’s ideas internally, to senior management and to the sales team, and externally to potential investors (Ghuri et al. 2016). One of the reasons of coming up with marketing plan is to avoid business actions that are going to show “what is wrong”. Primarily on basis on previously conducted researches, a company should have in mind how to act in order to get positive feedback from the customers (Baker and Cameron 2008). Marketing planning is an essential area of any business. It identifies potential customers, helps to reach them, retain and make them loyal so they buy repeatedly (Nikonorova 2013)

In some situations, organizations are more interested in maximizing unit sales rather than in

maximizing profits. For instance, non-profit organizations such as museums or churches typically want to have as many “customers” as possible. Sales maximization also appeals to sellers who want to promote a complementary product, particularly if the (traditional) sale of the complementary product is highly profitable. For the British rock band Radiohead, some argue that offering its album “Rainbows” on the Internet by using the PWYW mechanism dramatically increased the popularity of the album and thereby increased the profits from the (traditional) sale of the CD and the concert tour. Furthermore, making best use of selling may appeal to a seller who wants to start a new business and feel the market for the first time for testing the new product, generate network effects, or realize learning-by-doing effects (Schmidt et al. 2014).

Marketing plan is capable of generating beneficial advantages for organizations adopting it as a market instrument. Some of these advantages include the following:

- ◆ To maximize the chances of success
- ◆ To focus the collective mind on change
- ◆ To provide a mechanism for prioritizing and allocating resources

- ♦ To remove the tendency to drift, which is a dangerous malaise that afflicts businesses that take their eye of the future.
- ♦ To enable one to measure progress of the objectives as set and measure the success activities
- ♦ To show to the stakeholders (customers, owners, investors, staff and suppliers) that the management is sound, capable and professional in the managing the business with a clear vision and coherent direction.
- ♦ To align the whole business with the marketing strategy and to allow the supporting functions to develop the capabilities required for implementation.
- ♦ To transform the thinking (strategy) into action (tactics)
- ♦ To make coherent sense of what will have been a complex set of decisions.
- ♦ To make sure that one has the right questions and carry out all the necessary and right decision.

Organizations are looking for ways to improve their competitiveness by changing their operation strategy through methods that include the execution of the marketing planning management paradigm (Nguyen et al. 2017). Where a marketing planning has failed, it has generally been because companies have placed too much emphasis on the procedures themselves and the resulting forecasts, rather than on generating information useful to and consumable by management (McDonald and Wilson 2016). In a similar vein, (Abulehyeh and Al-zoub 2017) defines marketing plan as a written statement that defines the strategies, tactics and resources that an organization will employ to reach its business objectives. According to him, a marketing plan is an indication of what the organization plans to do in order to achieve its marketing objectives.

Given the above background, the research project hereby states that effective marketing plan has the potential of improving organizations' market performance, which as a matter of fact is the central enquiry of this research.

### Literature

As reported by Piercy and Evans (2014), many exporters place great emphasis on price competitiveness in exporting just as it is usually clear that this practice is roundly condemned by

economists and academic writers in field (Bayraktar et al. 2017). Market structure and economic environment influence a company's choice of strategy. For instance, it has been argued that the cost-leadership strategy seems to be more suitable for stable and predictable environments. Firms need to establish competitive advantage through differentiation and continuous innovation, whether it is related to the creation of new products and services, production, organizational processes or business models (Mokaya 2012). Technological and market changes seem to occur faster than expected, and Peter Drucker's old saying that the only constant thing in business is change seems true and the fast-changing business environments, changing business structures and rules of competition are becoming part of the ordinary life of most companies, as these are prerequisites for staying in business (Alrubaiee et al. 2017). Define competitive marketing plan as an activity, a process in business competition that provides a systematic structure and framework for considering the future, appraising options and opportunity and then selecting and implementing the necessary activities for achieving the stated objectives efficiently and effectively relative to competition in any organization (Gardan and Geangu 2016). Organizations that resist change are more susceptible to phase out because customers are more empowered with timely information in this digital age, have higher purchasing power and willingly attempt to play a vital role in co-creating value (Appiah-Adu et al. 2017).

It was also reported by Baker and Cameron (2008) that if there is no proper marketing strategy an organization will lose focus in terms of resources, funds and there will not be competitive advantage. Marketing plan helps an organization see how to penetrate the market and how the product will be accepted in the market, this will give one the end result which is to maximize profit and make profit at the end if well planned. Primarily on basis of previously conducted researches, a company should have in mind how to act in order to get positive feedback from the customers.

Martin and Javalgi (2016) also reported that when the competition is less intense, firms can operate with their existing systems to fully capitalize on the transparent predictability of their own behavior. However, when competition is intense, firms will need to engage in risk-taking and proactive activities to adapt accordingly.

### Problem Statement

Many business ventures go into extinction as a result of lack of market direction in the face of a turbulent marketing environment where rival companies change their tactics and strategies in order to increase their market share on a continuous basis (van Scheers and Makhitha 2016). For instance, organizations fail in the market place when there is no strategic direction, when they are unable to deliver value to their customers simply because they are unable to have a clear-cut marketing plan. This research aims at bringing into proper focus the need to have a consistent marketing plan documentation failing which the organization weakens its market performance.

### Purpose of this Study

The primary objective of this research is an evaluation of a marketing plan as a managerial strategy for enhancing competitive performance in cement industry for easy penetration of the market.

### Objectives

- ♦ To examine whether an effective marketing plan can assist the organization in creating and sustaining competitive advantage.
- ♦ To investigate the major problems if any that are likely associated with marketing plan as a competitive tool.
- ♦ To examine the structure of marketing plans.
- ♦ To examine whether effective marketing plan will assist an organization in increasing sales volume through a reduction in finished goods inventory and by extension enhancement in pre-tax profit.

### Research Questions

The following research question will be adopted in the project:

- ♦ What is the impact of an effective marketing plan on an organization's competitive advantage?
- ♦ Are corporate organizations actually practicing marketing plan as a corporate culture?
- ♦ What is the frequency of a marketing plan?
- ♦ Are corporate organizations considering competitors' actions, innovativeness and market performance in their marketing plan process?

### Research Hypothesis

**H01:** Marketing plan can be an effective tool for a continuous and periodic review of business in a constantly changing competitive environment.

**H02:** Marketing plan cannot help in the achievement of the marketing strategies of the organization.

**H03:** Marketing plans have a great impact on the acceptance, performance and survival of corporate organizations.

### METHODOLOGY

It is an open fact that before any research work can be carried out successfully, the population to be surveyed must be clearly defined since the result of the research work is based on the information gathered from the population, and the population itself is "any group of people or object, which are similar in one or more ways and which form the subject of the study in a particular study". Thus, the population here refers to the management staff of Lafarge Cement Nigeria PLC Company as case study, which the researcher reached and gathered is relevant information from, their customers, advert people and workers.

Customer: 100,000

Advert people: 1,000

Workers: 20,000

Management staff: 16

Usually a sample of ten percent of the population will do, except if it is too unworthy. For example, ten percent of 121,016,

$$10/100 \times 121016 = 12101.6$$

However, for this study, the researcher will take one percent of the population, that is,

$$1/100 \times 121016 = 1210$$

### Research Design

The research design specified the framework for controlling the data collection and its main function is to ensure that required data is collected and that it is collected accurately and economically. There are two general types of marketing data, primary and secondary data. Primary data is collected specially using the research needs at hand.

Secondary data is defined by Gordon Oliver as, "Published data sources include government

statistics, report of government enquiries, trade associations' statistics and surveys undertaken by journal publisher or data from commercial research firms which are subsequently published for general circulation". Secondary data is said to be data taken from figures collected by someone else. The use of data requires care, the needed information will be gotten from the use of relevant textbooks from various authors, journals, periodicals and host of other unpublished write-ups. On the primary data, personal interview and administration of questionnaire would be used to serve the department concerned with the questionnaire and this will also save the researcher the effort of call back since they can drop the questionnaire if respondent is not available. The use of the instrument will also ensure greater anonymity and the instrument is less expensive to administer.

**RESULTS**

**Hypothesis 1:**

**Ho:** Marketing plan can be an effective tool for a continuous and periodic review of business in a constantly changing competitive environment.

**Question 1:** Can a marketing plan be an effective tool for a continuous and periodic review of business performance in a constantly changing competitive environment?

From Table 1 computed,  $X^2 c = 19.9$

The process is to reject  $H_0$  if  $X^2 c$  is greater than the tabulated value, that is,  $X^2 c > X^2 t$ . Test  $X^2 t$  at 0.1 percent level of significance.

Degree of freedom (r-1) (c-1)  
Table value of  $X^2 t$  at 0.10/0 x.99.90/10- 1/(4-1) (1-1 0.001.3  $X^2 t$ ) = 16.27

Therefore,  $X^2 c > X^2 t = 16.27$ . The alternative hypothesis is accepted and the null hypothesis is rejected. Thus, a marketing plan is an effective tool for a continuous and periodic review of business performance in a constantly changing competitive environment.

**Hypothesis 2**

**Ho:** Marketing plan cannot help in the achievement of the marketing strategies of the organization.

**Question 2:** Can a marketing plan help in the achievement of the marketing strategies of the organization?

From Table 2 computed,  $X^2 c$ , that is,  $X^2 c = 26.16$ . The process is to reject  $H_0$  if  $X^2 c$  is greater than the tabulated that is  $X^2 c > X^2 t$ . Testing  $X^2 t$  at 0.1 percent level of significance with Degree of freedom (r-1) (c-1),

Table value of  $X^2 t$  at 0.10/0 x.99.90/10- 1/(4-1) (1-1 x 0.001.3  $X^2 t$ ) = 16.27

Therefore,  $X^2 c > X^2 t = 16.27$ , and the alternative hypothesis is accepted. Thus, a marketing plan helps in the achievement of the marketing strategies of the organization.

**Hypothesis 3**

**Ho:** Marketing plan contribute a great deal to the performance and survival of corporate organizations.

**Table 1: Responses on whether marketing plan can be effective tools for review of business**

Variables	Response	Percentage			
Strongly agree	20	52.63			
Agree	11	28.95			
Disagreed	5	13.16			
None of the above	2	5.26			
Total	38	100			
Options	O	E	(O.E)	(O.E) <sup>2</sup>	(O.E) <sup>2</sup> /E
Strongly agreed	20	9.5	10.5	110.25	11.61
Agree	11	9.5	1.5	2.25	0.24
Disagree	5	9.5	(4.5)	20.25	2.13
None of the above	2	9.5	(7.5)	56.25	5.92
Total	38	38	-	189	19.9

Source: Questionnaire Administered

**Table 2: Responses whether marketing plan can be useful in marketing strategies**

<i>Variables</i>	<i>Response</i>	<i>Percentage</i>			
Strongly agree	22	47.36			
Agree	10	26.32			
Disagree	5	13.16			
None of the above	1	13.16			
Total	38	100			

  

<i>Options</i>	<i>O</i>	<i>E</i>	<i>(O.E)</i>	<i>(O.E)<sup>2</sup></i>	<i>(O.E)<sup>2</sup>/E</i>
Strongly agreed	22	9.5	12.5	156.25	16.4
Agree	10	9.5	0.5	0.25	0.03
Disagree	5	9.5	-4.5	20.25	2.13
None of the above	1	9.5	-8.5	72.25	7.6
Total	38				26.16

Source: Questionnaire Administered

**Table 3: Responses whether marketing plan can contribute to survival of corporate organizations**

<i>Variables</i>	<i>Response</i>	<i>Percentage</i>			
Strongly agree	25	65.79			
Agree	10	26.22			
Disagree	3	7.89			
None of the above	-	-			
Total	38	100			

  

<i>Options</i>	<i>O</i>	<i>E</i>	<i>(O.E)</i>	<i>(O.E)<sup>2</sup></i>	<i>(O.E)<sup>2</sup>/E</i>
Strongly agreed	25	9.5	15.5	240.25	25.29
Agree	10	9.5	0.5	0.25	0.03
Disagree	3	9.5	-6.5	42.25	4.45
None of the above	-	9.5	-9.5	90.25	9.5
Total	38				39.27

Source: Questionnaire Administered

**Question 3:** Does a marketing plan contribute a great deal to the performance and survival of corporate organizations?

From Table 3 computed  $X^2_c$ , that is,  $X^2_c = 39.27$

The process is to reject  $H_0$  if  $X^2_c$  is greater than the tabulated that is  $X^2_c > X^2_t$ . Test  $X^2_t$  at 0.1% level of significance.

Degree of freedom  $(r-1)(c-1)$

Table value of  $X^2_t$  at  $0.10/0.99.90/10 - 1/(4-1)$   
 $(1-1 \times 0.001.3 X^2_t) = 16.27$

Therefore,  $X^2_c > X^2_t = 16.27$ . The alternative hypothesis is accepted and the null hypothesis is. Thus, a marketing plan contributes a great deal to the performance and survival of corporate organizations.

## DISCUSSION

Based on the objectives of the research, it was discovered first and foremost that top man-

agement often requires a marketing plan from all the departmental heads. This often serves as a marketing instrument that will assist the organization in achieving its marketing strategies as reported from the previous work (Appiah-Adu et al. 2017; Martin and Javalgi 2016). Furthermore, corporate organizations such as Lafarge Cement Nigeria PLC were found to have a standard marketing plan format as a guide for all the strategic business units. In addition, it was discovered that marketing plans contributed in small measure to gaining competitive edge through the enhancement of sales, which assists in reducing drastically the inventory of finish goods.

## CONCLUSION

From the critical study of a marketing plan, judging from different analysis and findings, the

results revealed some pertinent facts from which the researcher then drew certain conclusions.

The research study has examined the effectiveness of a marketing plan and its impacts on organizational performance. It can be deduced that a marketing plan seeks to arrive at a present decision concerning future actions. In the study, the determination of the level of sensitivity to the concept is done.

The results of the analysis and findings indicated that effective marketing plans solve the problem of over-stocking and under stocking the warehouse. This should be ensured for consumers' satisfactions.

Conclusively, good planning of the company's organization market had ensured smooth operations in the performance of the organization. Quarterly meetings are held constantly to bring good understanding between the company and its shareholders, which helps achieve good planning programs.

### RECOMMENDATIONS

In view of the above, this academic research hereby makes the following recommendations:

- ♦ All the three tiers of level in an organization (senior, middle and junior) should support this method of planning and show commitment in a long-term period not short period.
- ♦ In order to evaluate the achievement of marketing plan culture, corporate organizations should ensure that the actual performance is compared against all the objects and promises contained in the marketing plan and also use the previous marketing plan to draw up future plans.
- ♦ There should be rewards for long time objectives rather than focus on short time objectives results.
- ♦ There should be training for both the marketing team and the management team in order for them to have the same objectives and work towards promoting the company as whole.

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