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SIGNIFICANCE OF THE MARKETING PLANNING PROCESS

Annotation. The advantages of the marketing plan in modern competition, the essence of the marketing planning process and its stages have been considered. Specific characteristics of strategic planning in a dynamic environment have been selected.

Анотація. Розглянуто переваги маркетингового плану в умовах сучасної конкуренції, сутність процесу маркетингового планування та його етапи. Виокремлено специфічні особливості стратегічного планування у динамічному середовищі.

Аннотация. Рассмотрены преимущества маркетингового плана в условиях современной конкуренции, сущность процесса маркетингового планирования и его этапы. Выделены специфические особенности стратегического планирования в динамической среде.

Keywords: marketing planning, formal strategic planning, stages of marketing plan formation, management.

The aim of the research is to define the essence of the marketing planning process, analyze the main steps of an effective marketing plan and consider the significance of formal strategic planning.

The novelty of the topic is determined by the fact that in terms of the current economic situation and progress it hasn't been worked out properly yet.

In the modern corporate environment, dramatic changes occur in information technology and its business applications. The socio-demographic composition of markets has significantly changed, and consumers' behavior is not the same as it used to be. In addition, new forms of competition emerge. All these changes, along with increased uncertainty, inevitably lead to price/cost reductions, redefinition of market boundaries and compressed product life cycles for competing companies. The general consequence of all these trends is that marketing planning helps modern companies to successfully confront the business environment's dramatic changes and compete in the market.

Marketers define marketing planning as "The process of analyzing one or more potentially interesting marketplaces in order to determine how a business can optimally compete in them. The market planning process typically results in a marketing strategy that can be used to enhance sales for the business producing it" [1]. Moreover, it's a systematic process which combines: the estimation of the company's nature, the definition of its basic long-term objectives, the identification of quantified objectives, the development of appropriate strategies for the satisfaction of the objectives, and the necessary resource allocation in order to implement the strategies. The essence of marketing planning lies with the consideration of current alternative decisions, given possible threats and opportunities [2].

Any company needs a vision, the vision demands a strategy, the strategy requires a plan, and the plan requires action. A Japanese proverb says: "Vision without action is a daydream. Action without vision is a nightmare."

A marketing plan should be competitive, introduce something better, newer, faster or cheaper to be able to enter the market.

An effective marketing plan consists of six steps:

1. Situational analysis (which requires both internal and market analyzes).
2. Objectives. Based on identifying its best opportunities from its situational analysis, a company ranks them and sets goals and a timetable for achieving them.
3. Strategy. Any goal can be pursued in a variety of ways. It is the job of strategy to choose the most effective course of action for attaining objectives.
4. Tactics. The strategy must be spelled out in great detail regarding the 4Ps and the actions that will be taken in calendar time by specific individuals who are to carry out the plan.
5. Budget. The company's planned actions and activities involve costs that add up to the budget that it needs to achieve its objectives.
6. Controls. The company must set review periods and measures that will reveal whether it is making progress toward the goal. When performance lags, the company must revise its objectives, strategies, or actions to correct the situation [3].

Formal strategic planning is a controversial issue in today's economy. On the one hand, planning processes are a critical aspect of decision making and performance. For example, planning is valuable for high-risk decision making and enhancing the firm performance. Formal strategic planning is also helpful in providing a common purpose for future organizational development, stimulating forward thinking and clarifying future organizational directions. On the other hand, it produces too much rigidity. The process is too time-consuming and the world changes too rapidly, thereby making strategic plans obsolete by the time they are developed. In addition, such planning is too abstract and will not be beneficial in day-to-day management. For example, formal planning is ineffective in dynamic or high-velocity environments. However, several scholars have shown that effective planning can enhance the firm performance in either dynamic or stable environments [4].

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