
Foreword

Philip Kotler

This book focuses on an important part of marketing, namely marketing strategy. It does not discuss marketing tactics, macro marketing, or other branches of marketing. I like to think of “strategy” as “a thoughtful plan by a company to produce desired outcomes in the marketplace vis-a-vis customers, channel members, and competitors.” We can even think of certain companies that have developed an exemplary marketing strategy on which their business rests: Amazon, Apple, Facebook, Google, Harley Davidson, Southwest Airlines, and Starbucks, to name a few. Whether these companies developed their strategy by accident or by design doesn’t matter. The incontestable fact is that each of these companies has a strategy, not just a set of tactics.

I don’t want to diminish the role of marketing tactics. Without proper tactics, a strategy would fail. Starbucks knows this and its tactics include serving good coffee in many varieties; its baristas must be knowledgeable, quick, and motivated; its decor and furnishings must be earthy. Otherwise, poor tactics and poor implementation can destroy a good strategy. Herb Kelleher, founder of the successful Southwest Airlines, said, “We have a strategic plan. It is called doing things.”

For a strategy to succeed, it should be unique. Unfortunately, strategies are converging and losing their uniqueness. If all competitors have the same strategy, then it isn’t a strategy. You may be able to implement the same strategy better than your competitors, but it would be even more sustainable and profitable if it was different and unique. Bruce Henderson, a famous consultant, said, “Unless a business has a unique advantage over its rivals, it has no reason to exist.”

A company must keep its strategy current. There is the danger of markets changing faster than the company’s marketing. Sears, K-Mart, and GM were admirably responsive to the marketplace of yesterday, as they found out. To stay relevant, companies really need two marketing departments: one keeps furiously selling to the market of today; the other tries to figure out what the market of tomorrow will look like. Over time, the company carefully shifts its strategy toward what the market of tomorrow requires.

My observation is that companies are tactics-rich and strategy-poor. The reason for this book is to bring a greater consciousness into marketers’ thinking about whether they are just dishing out tactics or have a firm strategy foundation on which to hang their tactics. Venky Shankar and Greg Carpenter, the editors of the *Handbook of Marketing Strategy*, have divided the chapters into seven major strategic topics in marketing strategy. For each topic, they searched for the most stimulating authors and articles. The result is 27 rich chapters on different facets of marketing strategy by 36 scholars in marketing strategy. My guess is that if each marketing department would assign a topic reading each week over a seven-week period, and discuss the articles, then the members

of that marketing department would gain new insights and end up with a new and refined sense of marketing strategy.

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