Lecture 5 - Scenarios and Market & Product Strategies
Evaluation and Selection of strategies

The forecast of methods and strategies will come from primary data and secondary data compiled.

Quantitative:
- Time series analysis
- Correlation methods
- Leading indicator
- Market Tests

Qualitative:
- Management judgement
- Sales force surveys
- Panels of experts
- Scenario Techniques

Strategy development has to be based on systematic procedures and strategic tools

The Delphi Technique is a forecasting method based on expert opinion and expert surveys. It looks at the probability of an event occurring, how desirable the event is and what is the feasibility of the event.

It is used for long range forecasting and is rapid and efficient way of gaining information from experts.

The limitations with it are that:
- There could be more influence from a dominant individual
- Group Pressure, a need to conform
- Slow progress
- In hands of facilitator of the programme

The Trend-Impact Analysis is the technique for projecting future trends from information gathered on past behaviour.

It is a combination of statistical methods and human judgement. Past history is first extrapolated by computers and then modified by expert opinion (e.g Delphi technique)

Iterative method used to lower discrepancies

Scenario Building it is the summary of potential actions and events in a likely order of development beginning with a set of conditions based on the current situation/environment/ circumstances. (ie PEST factors)

How the uncontrollable factors such as pest influence the controllable factors like the marketing mix

Prepare Background > Select Critical Indicators > Establish past behaviour for each indication > Verify potential future events > Forecast each indicator > Write Scenario

Strategies can be formed for different sections of the market for example:
- The scope: single, multi-market or total market
- The Geography: local, regional, national or international