

Assessing marketing strategy: Towards an integrated Maturity Model

By

Juan Manuel Harraca, University of South Florida

Maturity models are a simple but powerful tool applied across an ample range of business disciplines. Originally emerging out of quality management and software engineering, these conceptual models help assess the quality of certain processes or strategies; and identify opportunities and actions needed to move to the next stage in maturity (Wendler, 2012). However, there is a lack of such a useful tool in the vast marketing management area of knowledge. Marketing textbooks and research are mostly focused on describing a set of definitions and proper conditions for marketing decisions, rather than having discussions on the way managers should make marketing decisions to improve the impact of those strategies (Wierenga, 2011). This needs to change.

Managers who are properly guided in the marketing strategy formulation process are bene-

fitted by minimizing intended-realized marketing strategy gaps. They also tend to maximize the ability of the marketing strategy to achieve business goals and increase the quality of that business process. The proposed theory intends to answer two key questions: How could man-

agers systematically improve their ability to assess the maturity of their current marketing strategy formulation process? How to develop marketing plans that, because of their content, result in an increased ability to be implemented and a potentially higher suc-

cess rate? To answer these questions, I propose an integrated 5-stage Maturity Model that will help managers identify the maturity of their current marketing strategy, and determine proper areas for improvement, either in the formulation process or its content.

The value proposition is at the core of marketing strategy formulation. Marketing strategy formulation failures impact intended value propositions. But all is not lost. Mind the marketing strategy gap with an integrated maturity model.

Keywords: Marketing strategy, Process Maturity, Competitive Maturity, Marketing Capabilities, Maturity Model, CMM, CMMI, BPMM, Self-Assessment, Value Proposition.

Marketing strategy fits into complexity. As a discipline dealing with creating, capturing, and sustaining value for both customers and firms (Dolan, 2000), continual adaptation to the environment is key to being successful. There are questions that managers may consider during the marketing strategy formulation process, with the help of a Maturity Model. In such a context, how can an organization assess if its marketing strategy is up to the task? Could managers eventually assess the maturity of the firm's marketing strategy? Which should be the next desired stage? What activities and initiatives should the company pursue to evolve its marketing strategy? What is the potential impact of the marketing strategy in driving the firm's results?

Effective use of such a tool might be beneficial to deliver more impactful, intended, strategies through a more robust process. With both praise and criticism, maturity models exist and are a widely utilized tool, along with a variety of managerial disciplines. The maturity models initially appeared from quality management and information systems disciplines. These conceptual models are helpful to managers in assessing the quality of a certain process or strategy domain within the organization. They help determine gaps and capabilities needed to improve the maturity in the field and increase quality via design action plans.

As a marketing strategy professor at ESE Business School in Chile and a consultant, I observed how properly guided marketing strategy formulation

is beneficial to managers and for business results. However, there is a gap in marketing management textbooks and research, which are mostly focused on describing a set of definitions and proper conditions for marketing decisions, rather than having discussions on the way managers should make marketing decisions to improve the impact of those strategies (Wierenga, 2011). After reviewing the relevant contributions of CMM (Capability Maturity Model), CMMI (Capability Maturity Model Integration), and BPMM (Business Process Maturity Models) research, I propose an integrated Maturity Model approach to assess the marketing strategy of a firm. Such a model will help managers evaluate if their marketing plans are grounded in a robust formulation process, as well as assess if those plans could allow for the delivery of a value proposition that will make the firm more competitive.

Review of Research

Several investigations have been conducted into the marketing strategy process, from strategic antecedents to the firm's way of doing business, to the impact in business results. However, little progress has been made in providing managers with effective, practical tools for improving the marketing strategy formulation process and the extent to which it can influence business results. Figure 1 shows a conceptual scheme with the different authors that, among a variety of focus areas, contributed with significant research and findings to the field of marketing strategy. (i.e.,

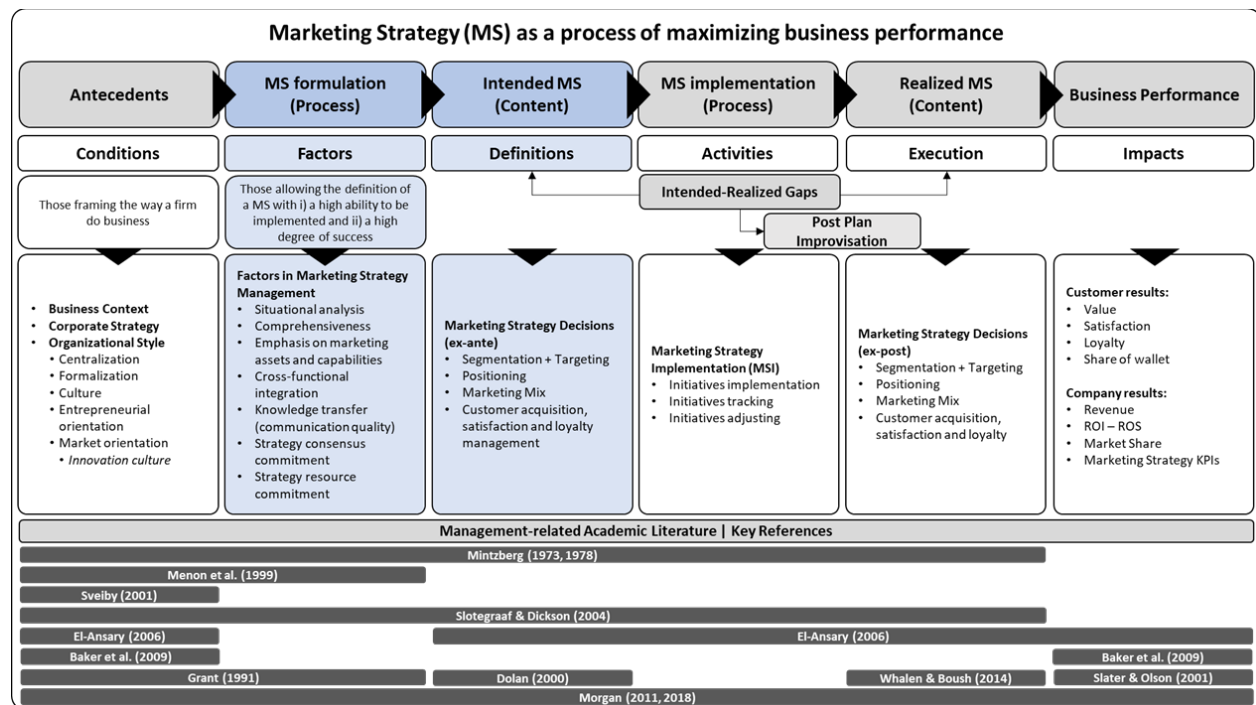


Figure 1 – Summary of academic research in the marketing strategy field (developed by the author).

Marketing strategy as a process of maximizing business performance). The special focus of this research is the MS formulation process and content pillars (in light blue in Figure 1).

Marketing strategy encompasses the “what” strategy decisions and actions and “how” strategy-making and realization processes goals, concerning a firm’s goals over a future time-period, and the means through which it intends to achieve them by selecting target markets and customers, identifying required value propositions, and designing and enacting integrated marketing programs to develop, deliver, and communicate the value offerings (Morgan et al., 2018). Adding to this perspective, it is possible to distinguish between marketing strategy “content”, which concerns the specific strategic decisions and integrated tactical marketing program decisions made, and marketing strategy “process”, which involves the organizational mechanisms leading to these marketing strategy decisions and those used to make and realize decisions regarding how they are enacted (Morgan et al., 2018).

Marketing strategy making (MSM) is “a complex set of activities, processes, and routines involved in the design and execution of marketing plans” (Menon et al., 1999). The MSM process has seven components: situational analysis, comprehensiveness, emphasis on marketing assets and capabilities, cross-functional integration, communication quality, consensus commitment, and resource commitment. This process is preceded by a set of antecedents, defined as degree of centralization, degree of formalization, and innovative culture. As a result, the MSM process will deliver different outcomes in terms of creativity of the strategy, organizational learning, and market performance, all of which will be impacted by the ability to control the effects of environmental turbulence (Menon et al., 1999).

But marketing plans are not made to be followed without a reasonable degree of adaptation and improvisation during the implementation stage. Companies may intend a deliberate strategy, which will possibly differ from the realized one, with both unrealized and emerging strategic paths along the way (Mintzberg, 1978). This has raised interest in understanding about why, how and to what effect firms deviate from their intended marketing plans, and then consequently fall into post plan improvisations (Slotegraaf & Dickson, 2004).

The truth is that firms always face deviations between their marketing strategy and implementation

activities (Whalen & Boush, 2014), with almost half of internally generated deviations attributed to failed implementation and planning errors intimately related to “marketing strategy” and “Marketing Management” processes and decisions. Moreover, post plan improvisations derived from internal reasons proved to be less successful than those derived from external conditions. Therefore, increasing marketing formulation capabilities could be a driver for improving business results, either related to delivering better plans, or to executing better post plan improvisations.

Improving development and formulation capabilities have been a matter of interest in non-marketing disciplines. For example, after decades of analyzing persistent deviations from planning activities, to increase productivity and quality of processes, the Software Engineering Institute developed a process-maturity framework that would help developers improve their software process (Paulk, M. C., et al., 1993). Years later, the SEI evolved the maturity framework into the Capability Maturity Model (CMM), this now known as the Capability Maturity Model

In a nutshell, immature processes, strategies, or organizations, would generally indicate the existence of improvised practices and activities, a reactive approach to business context, and an overall compromised quality of delivery.

Integration (CMMI). The concept of maturity stages building on each other, and therefore offering a simple but effective tool for analysis and measurement, was introduced by Phillip Crosby in 1979 (Wendler, 2012).

In a nutshell, immature processes, strategies, or organizations, would generally indicate the ex-

istence of improvised practices and activities, a reactive approach to business context, and an overall compromised quality of delivery. Meanwhile, mature organizations possess an ample ability to manage processes and increase quality delivery. An organization’s process maturity helps to predict a project’s ability to meet its goal. As a result, the CMM practice proposed a 5-stage model, ranging from Level 1 to Level 5 of maturity (Paulk et al., 1993), to assess the current situation of a firm. As Wendler (2012) indicates, “the purpose of models dealing with maturity is to outline the conditions when certain examined objects reach the best (perfect) state for their intended purpose”.

During the last few decades, these conceptual models widened their original application to quality management and the IT industry, to a variety of sectors such as Government, Education, Project Management, Construction, Engineering, among others (Wendler, 2012). However, no relevant developments rooted in this approach are found for the marketing strategy formulation process and the content

it aims to generate. To fill that gap, taking into account the developments brought by CMM, CMMI, and BPMM research, and leveraging almost 20 years of direct field observations from personal executive experience, graduate education and consulting activities in the field of marketing strategy throughout Latin America, I propose an integrated Maturity Model framework to assess the marketing strategy of a firm through a bi-dimensional approach: 1) the Process Maturity, and 2) the Competitive Maturity (content).

Towards an integrated marketing strategy Maturity Model

The proposed integrated marketing strategy Maturity Model (MSMM) aims at assessing the quality of the marketing strategy formulation process (the “Process Maturity”) and its content (the “Competitive Maturity”). It is intended to serve as an impactful tool to the business problem raised initially, that is, increasing the ability of managers to run a more robust marketing strategy process as well as a more productive one, thereby increasing the competitive power of the value proposition delivered. When applied, the MSMM can serve as a diagnostic of where the firm is standing in terms of its marketing strategy in a bi-dimensional perspective. A proper self-assessment will help managers to determine the right improvement areas for their marketing strategy.

From a broader perspective, this framework might be applied to any business context and industry, at any given time. However, it would be ideal if implemented at the beginning of any annual (or periodical) business planning process. As a tool designed to improve the marketing strategy development, it better serves the perspective of a business unit within a firm (that is to say, a category of products or services), rather than a corporate-wide approach (that is to say, evaluating different business units, altogether within a single firm). This assumes that a business unit serves a particular set of customers, within a particular business segment, with different competitors, collaborators, and context in it.

To explain the model, I will first describe the assessment proposed for the “Process Maturity”. After that, I will review the propositions for the “Competitive Maturity” assessment. Finally, I will introduce the theoretical integration of both “Process” and “Competitive” maturities, providing the bi-dimensional approach of the marketing strategy Maturity Model.

Assessing marketing strategy Process Maturity

The first dimension that any firm should aim to assess and improve to deliver a robust marketing strategy formulation process is Process Maturity. Relevant elements for this dimension are found both in definitions of the MSM process, Menon et al. (1999),

as well as in the common ground for process maturity provided by CMMI developments.

From an MSM process standpoint, the elements that a firm should evaluate are i) the existence of a defined process, as well as ii) the adherence of the organization to that process. In doing so, factors such as cross-functional integration, communication quality, and consensus commitment (Menon et al., 1999) could be evaluated. In addition, the company should assess if, iii) the process delivers a plan that is sufficient to achieve business goals (i.e., sufficiency); iv) if the process delivers a plan that is coherent with business capabilities (i.e., coherence), and v) if the process delivers a plan that is relevant to market needs (i.e., relevance).

Elements iii to v could be a way to ponder factors proposed by Menon et al., such as comprehensiveness, with emphasis on marketing assets and capabilities, and resource commitment. Using a maturity questionnaire (Appendix A) to judge marketing strategy process maturity, managers would be able to identify strengths and weaknesses in the process, by expressing their perceived agreement or disagreement to different statements (Likert scale). The results of the answers will add up to an average grading of the maturity of the marketing strategy formulation process. According to the CMM perspective, the assessment of the previous elements could then be translated into the typical 5-stage process maturity scale (Paulk et al., 1993):

- **Level 1: Initial.** The organization typically does not provide a stable environment for developing a marketing strategy.
- **Level 2: Repeatable.** Policies for managing a marketing strategy process are established, with basic process-management discipline.
- **Level 3: Defined.** A typical marketing strategy formulation process is well-defined, documented and known across the organization.
- **Level 4: Managed.** The organization sets quantitative and qualitative goals for the process and instruments it with well-defined and consistent measurements.
- **Level 5: Optimized.** The entire organization is focused on the continuous process improvement of the marketing strategy.

In addition to gaining an understanding about the current situation of the Process Maturity of marketing strategy formulation, firms may take advantage from this self-assessment practice in identifying in which of the 5 elements of marketing strategy process they should focus on for improvement. This is especially important to focus improvement needed in the way of working. Improvement activities should be prioritized in terms of their potential impact on the process (time reductions, increased consistency, better cross-functional collaboration), and of their ease of being implemented (effort needed to

implement those changes to the process).

As proposed in the original maturity model theory applied to processes (either CMM, CMMI, or BPMM), achieving higher levels of marketing strategy Process Maturity would be incremental, and will require a long-term commitment to process improvement. However, as a marketing strategy is a domain full of complexity, improving the quality of the formulation process appears as a necessary, but not sufficient condition to deliver better value propositions to customers.

Assessing marketing strategy Competitive Maturity

The second and complementary dimension that companies need to be interested in improving is the Competitive Maturity of the marketing strategy. Relevant elements of the decisions made during the marketing strategy formulation were raised by Dolan (2000), Slotegraaf & Dickson (2004), El-Ansary (2006), and Morgan (2011, 2018), all of whom had similar perspectives. For practical reasons, managers should consider Dolan's conceptual scheme. This scheme depicts the key decisions made during the formulation of any marketing strategy. The framework delivers its value in a simple but powerful way, via logical sequence. It is useful for any company to

determine the elements of its marketing strategy, to achieve its main goal: to create, capture, and sustain value over time. Figure 2 describes the integral framework proposed by Professor Robert Dolan:

As previously stated, one of the challenges with marketing strategy literature is that it generally tends to be descriptive, the same as Dolan's framework itself. However, it is necessary to establish a common ground in conceptual terms. For managers, it is important to speak the same language while assessing the quality of decision-making at each level of the marketing strategy. Taking this a step further would involve assessing each of the decisions made in the different ambits of the marketing strategy to place the firm in a more competitive position. To do so, I propose a second maturity questionnaire (Appendix B) to judge marketing strategy decisions maturity, based on a Likert scale, through which managers would be able to identify strengths and weaknesses in the decisions done at each of the 14 control elements suggested in Table 1:

The second maturity questionnaire will guide managers in the assessment process through each of the 14 key control points, allowing their reflections on the degree to which those elements are: i) defined; ii) sufficient; iii) differentiated from the competition; iv) innovative; or v) transforming the industry. The

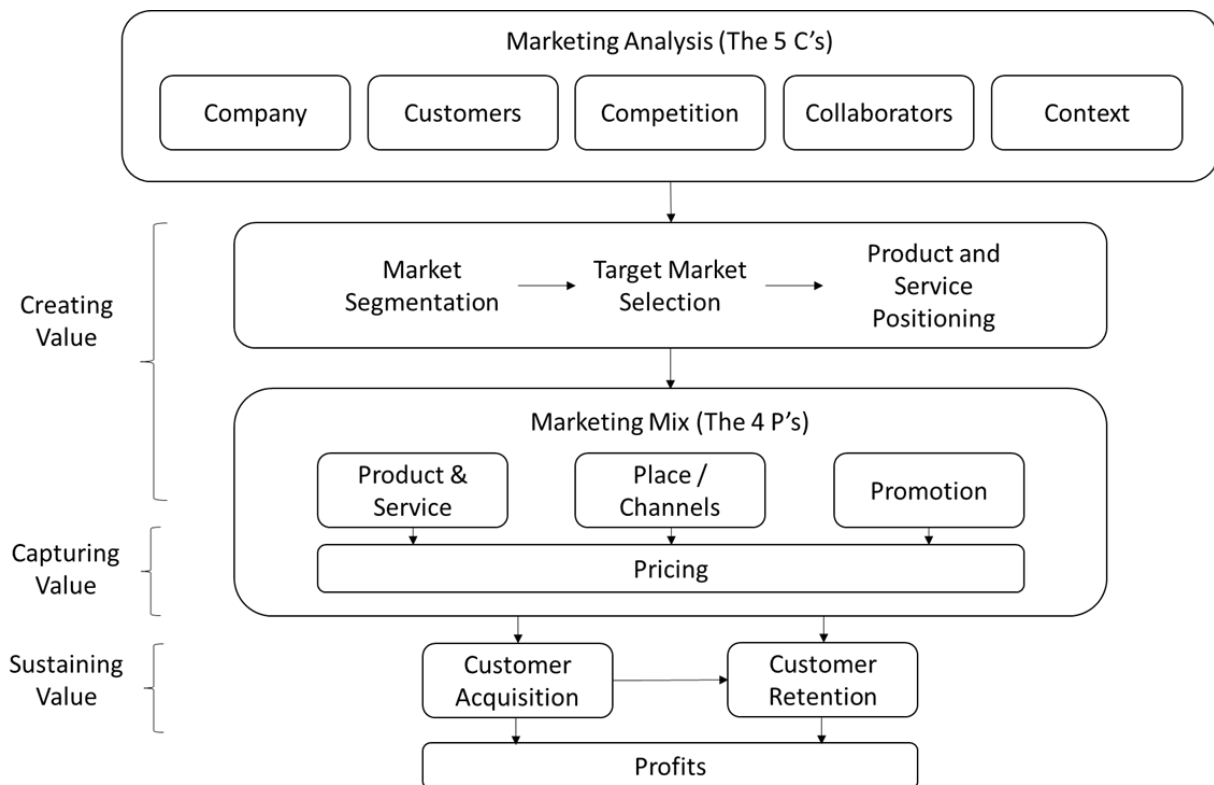


Figure 2 – Robert J. Dolan's (2000) conceptual scheme of marketing strategy decisions.

Table 1 – Key control points to assess marketing strategy decisions (developed by the author)

Ambit	Key strategic question	Key action	Key control element
Competitive landscape	How are we to compete?	Analyze	1 - Customers 2 - Competition 3 - Collaborators 4 - Context
Creating Value 1.0	Who do we serve and what do we promise to them?	Promise	5 - Segmentation 6 - Targeting 7 - Positioning
Creating Value 2.0	How do we deliver the promise	Deliver	8 - Products and services 9 - Physical channels 10 - Digital channels 11 - Brand promotion and communication
Capturing Value	Do we capture all the possible value?	Charge	12 - Pricing
Sustaining Value	How do we guide our customers along their experience?	Delight	13 - Customer acquisition 14 - Customer satisfaction

results of that self-assessment will translate the second dimension of the marketing strategy maturity, named Competitive Maturity. This second maturity dimension is also evaluated from managers' perspective on their agreement and disagreement with the different statements, resulting in an average maturity for the marketing strategy Competitive Maturity. Each stage will describe the competitive ability that the firm has, according to the current state of the art, as assessed by its management team. The proposed maturity levels are described as follows:

- **Level 1: Survive.** The organization needs to make profound definitions about its value proposition through the marketing strategy.
- **Level 2: Operate.** The organization needs to strengthen the definitions about its value proposition through the marketing strategy.
- **Level 3: Compete.** The organization needs to differentiate its value proposition through the marketing strategy.
- **Level 4: Win.** The organization needs to accelerate innovation in its value proposition through the marketing strategy.
- **Level 5: Transform.** The organization is set to transform its industry with a best-in-class value proposition.

In addition to understanding the current position in the Competitive Maturity scale, firms would benefit from this self-assessment methodology by identifying in which of the five ambits of marketing

strategy formulation they should focus their efforts, and within each of them, into which of the 14 key elements they should seek for improvement. This is particularly relevant to the implementation of initiatives, which should be prioritized in terms of their potential impact on business results (generally revenue or profit), as well as in terms of their ease of being implemented (resources needed).

The integrated marketing strategy Maturity Model

Finally, after conducting the assessments in both dimensions, "Process" and "Competitive" Maturity, it is time to integrate them into a bi-dimensional approach to form the proposed marketing strategy Maturity Model. In essence, for a firm to boost its value proposition through a continuous improvement process, it shall put its efforts towards two directions: enhancing its marketing strategy formulation process (the way the firm performs and orchestrates the different activities to deliver marketing plans), and its marketing strategy content (the decisions done, as a "product" or "output" of the formulation process). By increasing management capabilities in both dimensions, is that a firm will set itself to outpace the competition. Considering that both dimensions provide a 5-stage evolution in maturity, a conceptual scheme as the one shown in Figure 3 would be feasible to proposing a positional approach to improving the maturity of marketing strategy:

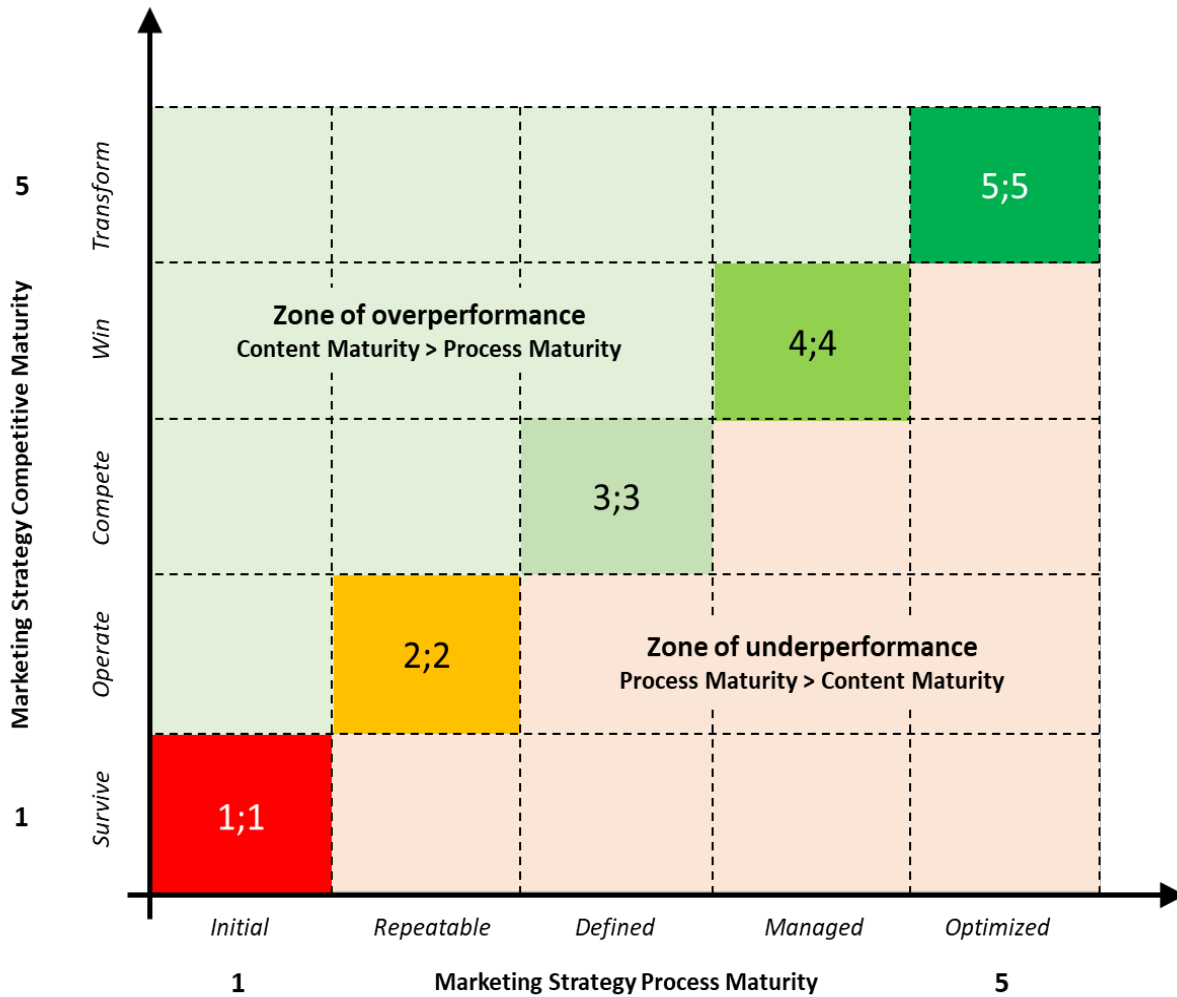


Figure 3 – Leveraging marketing strategy bi-dimensional maturity (developed by the author).

The logic behind CMM and subsequent theories regarding the quality of a process support the idea that a better process would increase the ability to deliver higher-quality outcomes. In this sense, Figure 3 provides a conceptual perspective regarding how a firm would be able to evolve its value proposition along the diagonal, from initial maturity quadrants at the bottom left corner (process and content), to higher maturity ones, at the top right corner of the matrix. However, it might be possible to find several additional combinations that would typically fall into what we could name a “zone of underperformance”, and a “zone of overperformance”.

Underperformance, the first of those zones, is the one in which any combination of Process-Competitive Maturity has a greater maturity in the process of formulating the marketing strategy than in the competitive maturity of the intended strategy. In this zone, companies might be focusing on accomplishing the process, rather than beating their competitors on the creative strategies and their potential

to impact customers. Another possible explanation for maturity assessments falling into the underperformance category is when the ability to bring innovative proposition to customers, or eventually set transformative conditions to the game, is under pressure. This is typical of highly competed business sectors.

The overperformance zone, is the one in which any combination of Process-Competitive Maturity has greater maturity in terms of the competitiveness of the marketing strategy, than the maturity of the process behind that strategy formulation. This zone might be related to firms where the entrepreneurial drive and market focus are greater than the “bureaucracy” and process orientation. In addition, this area might be a relatively common ground for SBEs (Small Business Enterprises), where the lack of abundant structures and the absence of process rigor might be habitual. Finally, another situation that could bring a firm to a position in the overperformance zone is when the company belongs

to a relatively immature business sector where the rapid evolution of conditions will impose the pace of growth over procedures. Most of the depicted conditions would tend to be temporary and certainly will be impacted by external conditions, such as changes in customers' behaviors, competitive efforts, and context variations, among others. This explains why a firm might not be able to sustain customers' preferences in the long term, without a reasonable sophistication of the marketing strategy formulation process.

Also, a firm could assess that, for instance, being at a Stage 3 in both dimensions (Process Maturity: "Defined" – Competitive Maturity: "Compete"), is adequate for their business situation. This is perfectly acceptable, and the role of the management team is to make those kinds of definitions. In other words, this integrated maturity model is not intended to set the goal of reaching a Stage 5 condition as a mandate. Instead, it aims to provide management with a structured, practical tool to assess business situation and proper next moves. Knowing where your firm stands in terms of its marketing strategy maturity will represent, by far, a better starting point than being sightless, to make progress in the following strategy formulation cycle.

Applying the MSMM in different business contexts

In this section, I would like to walk the readers through the application of the proposed integrated marketing strategy Maturity Model, in different practical contexts, in Chile, South America. To do so, I will explain two case studies in which I had the chance to apply the model, as a business consultant. In the first example, the MSMM was applied to big-sized, public firm, a leading Cement and Concrete company, during a process led by a consulting team responsible for a marketing strategy formulation diagnosis. The second example corresponds to a small-sized, family-owned company, dedicated to the distribution of airport security systems (such as luggage scanners). Details of both case applications follow in the next sections, maintaining anonymous references to the companies involved.

Case study: a leading Cement and Concrete firm

During the summer of 2020, a leading Cement and Concrete company based in Santiago, Chile, decided to proceed with management changes in their concrete business. The owner of two brands in that business segment was concerned about the value proposition of its legacy brand, which had been losing traction and impacted market shares for the last 18 months. The new management asked me to diagnose the current state of their marketing strategy. After proposing a methodology to assess both the

marketing strategy process maturity and the competitive maturity of the company, the project began. In this case study, the method was applied by an expert team of three consultants. After gaining understanding through a set of different activities, such as interviews with management and customers, analysis of information, and field observations, the team was able to fulfill the two maturity questionnaires with their evaluations (same questionnaires as those shown in Appendixes A and B). A series of discussions were needed to calibrate perspectives, after which the first marketing strategy Maturity Model was ready to be delivered. Results were not a surprise for the new management team of the firm.

On the Process Maturity side, several things were in place. Now a property of a national group, this leading player in the concrete business was previously owned by multinational cement companies, with senior leaders in many functions, and a relatively high degree of process orientation. Processes were defined, relatively known across functions, and documented mostly every year, hand in hand with the annual plan process. However, it was not possible to observe mature practices in terms of setting quantitative and qualitative goals for a higher quality process, nor were we able to see continuous improvement behaviors. Grey areas in terms of accountability over the marketing strategy formulation remain visible. Another sign of low maturity was that the marketing department was mostly worried about brand communications, while the sales department was probably the one receiving all the impact of bad operational processes. To summarize, the process achieved a lower-end Managed quadrant, with a maturity score of 3.2 out of 5. Both the consulting team and the management team felt comfortable with this assessment.

Competitive Maturity was expected to be low considering the poor results of the last years. However, the assessment proved the situation was even worse. The teams were in a "standby", inactive mode, basically convinced that concrete was nothing more than a commodity. Thus, nothing else was to be done in terms of gaining customers' preference. This mood was perceived across all functions: sales, operations, logistics, and customer service. The story was carved in stone: the market sets the price, the market asks what it wants, and we just need to deliver what we can, when we can, and how we can. This situation was evident to the new management team, and their concern about it was high. However, even though concrete (as a product) was a commodity, the ready-mix service wasn't a commodity at all. Customers expected high service levels, with almost no delays in the delivery process, and close-to-zero quality issues. In addition, customers had very different profiles, being able to be segmented to adapt the service model. To summarize, the firms' marketing strategy

was meant only to Operate, needing urgent definitions about the value proposition, in a highly competitive, mature, and (self-inflicted) commoditized market. The 1.6 out of 5 scores was, again, no surprise to the management team.

The integrated MSMM was a before and after for this company. Results of the assessment positioned the company in the “Managed-Operate” quadrant and provided the management team with a clear perspective of what was happening: low impact on creating a differentiating value proposition. The diagnosis then turned into a value proposition transformation initiative supported by a process improvement pillar and a marketing strategy content pillar. The transformation effort was built upon a company motto (“Breaking the mold”) and a set of strategic initiatives was kicked off to define the new marketing strategy. Structural changes followed, to adapt the organization to the newly defined customer segments. A new service model was defined, together with the expected customer journey.

Several things happened in the next couple of years, with several back-and-forth situations, both internally generated and emerged from the context turbulence (social breakouts in Chile, global Covid-19 pandemic, higher inflation rates, price increases in the global supply chain, constitutional reform, government shifts, among others). Despite the complex landscape (territory of marketing strategy), the firm managed to reposition its concrete business as expected, with both brands showing consistent growth in the national market share charts since 2021.

Case study: a small-size, family-owned, distribution firm

October 2022 was the right time for the general manager and owner of a small-size, privately-owned, airport security equipment distributor. Recently operating as a spin-off of its parent company, this distributor has been experiencing rapid growth during the last four years. This can be mostly explained by the (casual?) award of a national contract of three long-term service agreements to supply new regional airports with scanning devices. Despite this growing trend, the owner of the company felt things were not going to be easier in the future. After winning the last national contract, and securing highly profitable maintenance contracts, the company was not able to win any new bids. The company faced increased competition from Chinese suppliers.

As I served as a board member in this family holding, the general manager asked me to guide him and his management team of three semi-senior executives through a diagnosis to develop a new marketing strategy for the 2023-2024 period. This was a good opportunity to implement the MSMM, in a different business environment, and with a different role when applying the methodology. In this case, I

proposed the team take a role as a moderator of their business discussion. That discussion was based on the MSMM as a self-assessment tool. After proposing the methodology, the team of 4 executives (the general manager, and his sales, marketing, and operations heads) went through both the process and competitive assessment questionnaires.

The first task during the process was to establish common ground regarding marketing terminology. As a moderator, I dedicated a 30-minute session to calibrate the concepts and their intended meanings. The focus was on the ambits and key elements of decision-making in marketing strategy, as previously shown in Table 1. An additional 30-minute session was needed to explain the questionnaires and assessment process to the participants. With that, the team dove into the self-assessment process. For this firm, a total of three half-day sessions were needed, to make progress with their evaluations of both the Process and Competitive Maturity of the marketing strategy. The moderation of conversations between them was also an important element that allowed us to compare perspectives on the different dimensions evaluated.

Regarding the Process Maturity, they all confirmed it was low. Their optimism was met with disappointment when their assessment reinforced the view that their “organization typically does not provide a stable environment for developing a marketing strategy”. As a matter of fact, in the last few years they seldom recall having had a stable marketing strategy formulation process. They scored a “generous” 1.2 out of 5 in their Process Maturity. This positioned the firm in the lower border of the Repeatable stage. This was more of an intrapreneurial strategy formulation than an organizational, defined effort. That was part of the reason for doing this consultancy with them.

However, the perspective on their ability to compete with their informal marketing strategy process was different. This firm managed to represent one of the leading global brands in the airport security equipment industry, and by far the most renowned brand in scanning equipment. This relationship began over fifteen years ago when the founder of the family holding met the CEO of the global firm at a business fair in the U.S. But current competitive pressures changed when a couple of Chinese suppliers entered the market. Their winning of relevant contracts was particularly tied to price. Although not critical, warning bells began to sound. The firm’s executives concluded that it was time to seek a differentiation edge. The executive team agreed to assess their Competitive Maturity with a 3.2 grade out of 5, thereby positioning in the lower edge of the Win quadrant. By integrating both Process and Competitive Maturity, the team concluded that “it was time to wake-up” and start putting some more “brain”

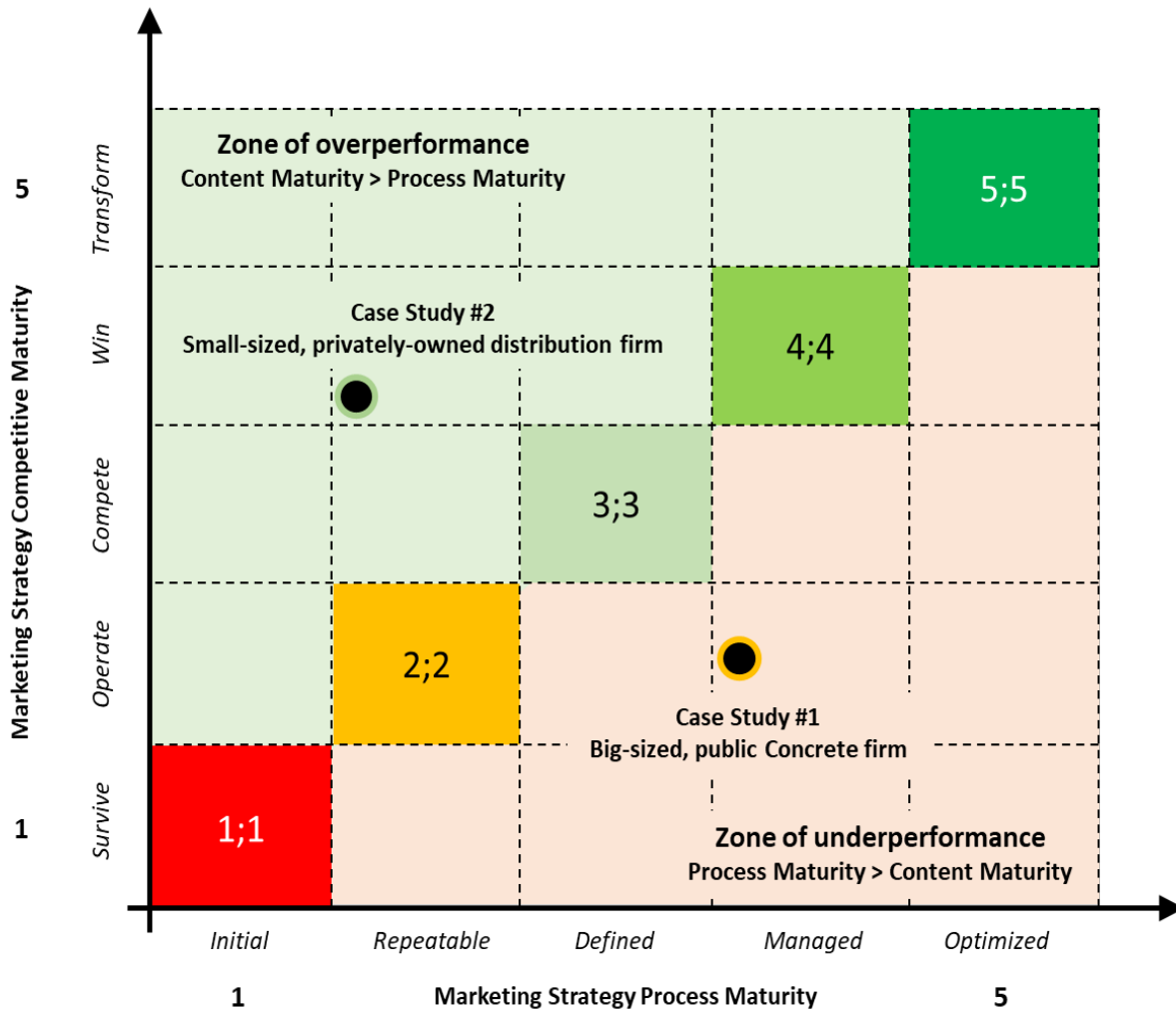


Figure 4 – Applying the MSMM in two different business contexts.

and “muscles” to remain competitive and relevant. Figure 4 serves as visual interpretation of both case studies, previously discussed.

Discussion

Like the majority of CMMI and BPMM, the proposed integrated MSMM is, above all, a practical tool to guide managerial decision-making. When I refer to the term “practical”, I intend to clearly provide a set of logically structured guidelines that help managers in assessing a business situation and, hopefully, they will do something about it. In addition, as a business consultant, I am fully convinced that the number one priority for graduate school educators and business advisors is to nurture managerial capabilities.

The proposed integrated MSMM aims to do so, as an applicable contribution to the vast, complex, mar-

keting strategy domain. In this sense, this MSMM has been provided to over 300 MBA students at ESE Business School in Santiago, Chile. As the marketing strategy professor, I can attest that the MSMM is the capstone final project for the course. Course evaluations show signs of satisfaction with the methodology. Proof of this is the 93% top-two-boxes grading (6 and 7, on a grading scale of 1.0-7.0), and the average grading of 6.8 out of 7 between 2020 and 2023. The methodology has gone through various evolutions, improvements, and refinements since. This is the same period where the methodology was applied to over 20 industry sectors (specifically, to the firms where the MBA students were employed). The latter shows that, with some degree of guidance in the process (mostly, explanations of the key marketing strategy concepts, and the maturity questionnaires), managers from any business environment might be able to utilize the MSMM as a self-assessment tool.

This is, from my perspective, a way to improve marketing capabilities across the board.

Another relevant consideration for the application of the proposed MSMM is the participation of relevant decision-makers. In both examples shared, either from an “observer” perspective (the case of the Cement and Concrete firm), or from an “active” perspective (the case of the self-assessment conducted by the distributor), the participation of managers involved in the formulation of marketing strategy is central to the success of the model implementation. Furthermore, providing an adequate discussion atmosphere is a turning point for the confidence of managers in adopting the tool.

However, maturity models in general have been criticized because of their over-simplification of a complex reality. Tarhan et al. (2016), make a clear statement about this issue:

“Yet, despite the substantial number and broadened scale of available models and the promising accomplishments of using maturity models in other domains, the use of business process maturity models (BPMMs) has still not gained widespread acceptance in practice or in research. There are only a handful of studies in the literature examining the adoption of these models and their achieved benefits. Furthermore, recent surveys report a decline in the attention shown by industry to certain maturity models. Researchers and practitioners in this field indicate underlying challenges, such as the scarcity of empirical works confirming the validity and usefulness of the models, limited extent of prescriptive properties of the models impeding their application, and the lack of a clear distinction between the maturity model and the assessment model that is applied to evaluate the level of maturity.”

This opens some challenges regarding the potential limitations of the proposed integrated MSMM. Therefore, future steps on the confirmation of this MSMM must be taken, particularly in the direction of design-science research that helps in the refinement and empirical validation of the artifacts proposed in this paper. Furthermore, an empirical study should be conducted in future research, in order to confirm the validity and usefulness of the model, in a broader business context. Finally, setting future direction on this research, I consider relevant to highlight what Wendler (2012) states:

“When new maturity models are developed, it is normally not sufficient to construct them in terms of content and structure. To ensure their applicability and benefits, they have to be tested, for instance, by proof of concept or by real life applications. The results of these

tests or evaluations may have influence on the model again. This “logical” procedure is to be found in the design science paradigm. In fact, design-oriented research designs are often used when maturity models are developed...”

Conclusions

Marketing strategy is full of rugged landscapes, where continual adaptation to the changing environment is key to remaining competitive. Companies need to continually assess if their marketing strategy is powerful enough. Knowing where a firm stands in terms of the maturity of its marketing strategy formulation process and competitive power (content), might be a great starting point.

This task could be performed with the proposed integrated marketing strategy Maturity Model (MSMM). The MSMM helps firms across all industries assess the Process Maturity and Competitive Maturity of their marketing strategy and sets the path for improvements needed in either dimension. By utilizing two self-assessment questionnaires, one for Process Maturity and the other for Competitive Maturity, managers can determine the position in the two 5-stage models. After assessing the current situation of the marketing strategy, executives will be able to boost the value proposition of their firms with better formulation processes and enhanced content of their marketing decisions.

Maturity models exist and are a widely utilized tool, along with a variety of managerial disciplines. Emerging from quality management and IT functions, these conceptual models are helpful to assess the quality of a certain process or strategy domain within the organization, determining gaps and capabilities needed to improve the maturity in the field, and design action plans for increased quality. Despite their ample use, there is a gap in the marketing strategy domain of such a tool. Taking advantage of the sound contributions of CMM, CMMI, and BPMM research, and after applying with successive refinement in different managerial contexts, I conclude that the integrated Maturity Model approach to assessing the marketing strategy of a firm is a contribution that stands in the very intersection of relevant methodologies and practical business impact. Implementing the MSMM will help managers in evaluating if their marketing strategies are cemented in strong process foundations, as well as in assessing if those plans will allow them to deliver a winning value proposition to their customers.

References

- Dolan, R. J. (2000). Note on marketing strategy. *Harvard Business School Pub.*
- El-Ansary, A. I. (2006). Marketing strategy: taxonomy and frameworks. *European*

- business review*, 18(4), 266-293. <https://doi.org/10.1108/09555340610677499>
- Menon, A., Bharadwaj, S. G., Adidam, P. T., & Edison, S. W. (1999). Antecedents and consequences of marketing strategy Making: A model and a test. *Journal of marketing*, 63(2), 18. <https://doi.org/10.2307/1251943>
- Mintzberg, H. (1978). Patterns in strategy formation. *Management science*, 24(9), 934-948. <https://doi.org/10.1287/mnsc.24.9.934> (Management Science)
- Morgan, N. A. (2011). Marketing and business performance. *Journal of the Academy of Marketing Science*, 40(1), 102-119. <https://doi.org/10.1007/s11747-011-0279-9>
- Morgan, N. A., Whitler, K. A., Feng, H., & Chari, S. (2018). Research in marketing strategy. *Journal of the Academy of Marketing Science*, 47(1), 4-29. <https://doi.org/10.1007/s11747-018-0598-1>
- Paulk, M. C., et al. (1993). "Capability maturity model, version 1.1." *IEEE software* 10(4): 18-27.
- Slotegraaf, R. J., & Dickson, P. R. (2004). The paradox of a marketing planning capability. *Journal of the Academy of Marketing Science*, 32(4), 371-385. <https://doi.org/10.1177/0092070304265217>
- Tarhan, A., et al. (2016). "Business process maturity models: A systematic literature review." *Information and software technology*, 75, 122-134.
- Wendler, R. (2012). "The maturity of maturity model research: A systematic mapping study." *Information and software technology*, 54(12), 1317-1339.
- Whalen, P. S., & Boush, D. M. (2014). Why, how and to what effect do firms deviate from their intended marketing plans? Towards a taxonomy of post plan improvisations. *European Journal of Marketing*, 48(3-4), 453-476. <https://doi.org/10.1108/EJM-09-2011-0466>
- Wierenga, B. (2011). Managerial decision making in marketing: The next research frontier. *International Journal of Research in Marketing*, 28(2), 89-101.

Review

This article was accepted under the **constructive peer review** option. For further details, see the descriptions at:

<http://mumabusinessreview.org/peer-review-options/>

Authors



Juan Manuel Harraca is a DBA student at University of South Florida. He is an adjunct professor in marketing and sales strategy in the ESE Business School at the Universidad de Los Andes in Santiago, Chile. He also serves as business advisor and board member. He is a seasoned executive with extensive experience in senior management roles across Latin America, having worked with companies such as Suez, Gillette, Procter & Gamble, Beiersdorf, Avon, The Nature's Bounty Company, and Grupo Polpaico for over 20 years.

Appendix A: Marketing Strategy Process Maturity Questionnaire

# Q	Maturity element	Based on your experience and observations of marketing strategy formulation process at your firm, please evaluate the following statements:	Totally disagree	Somehow disagree	Neither disagree nor agree	Somehow agree	Totally agree
1		In my firm there is a defined marketing strategy formulation process	1	2	3	4	5
2	(i) Existence of a defined process	In my firm, the marketing strategy formulation process follows a series of structured, repeatable stages or steps	1	2	3	4	5
3		In my firm, the marketing strategy formulation process takes a previously know period of time	1	2	3	4	5
4		In my firm, all business functions know about the marketing strategy formulati on process	1	2	3	4	5
5		In my firm, a hi gh communication quality is observable during the marketing strategy formulation process	1	2	3	4	5
6	(ii) Organizational adherence to the process	In my firm, a high degree of consensus commitment exists during the marketing strategy formulation process	1	2	3	4	5
7		In my firm, all business functions know actively participate during the marketing strategy formulati on process	1	2	3	4	5
8		In my firm, a hi gh cross-functional integration is observed during the marketing strategy formulati on process	1	2	3	4	5
9	(iii) Process sufficiency	In my firm, the marketing strategy formulation process is comprehensive enough to deliver business goals	1	2	3	4	5
10		In my firm we leverage on existing marketing assets and capabilities during the marketing strategy formulati on process	1	2	3	4	5
11	(iv) Process coherence	In my firm, the marketing strategy formulation process is coherent with our business capabilities	1	2	3	4	5
12		In my firm, resource commitment during the marketing strategy formulation process guarantees coherence with our capabilities	1	2	3	4	5
13		In my firm, resource commitment during the marketing strategy formulation process guarantees revelance for market demands	1	2	3	4	5
14	(v) Process relevance	I am fully satisfied with the firm's current marketing strategy formulati on process	1	2	3	4	5
15		I consider that in my firm a successful marketing strategy formulation process is conducted	1	2	3	4	5

Figure A1: Marketing Strategy Process Maturity Questionnaire

Appendix B: Marketing Strategy Competitive Maturity Questionnaire

# Q	Key control element	Based on your experience and observations of marketing strategy decisions at your firm, please evaluate the following statements:	Totally disagree	Somehow disagree	Neither disagree nor agree	Somehow agree	Totally agree
1	Customers	The firm understands what customers value in this business	1	2	3	4	5
2	Customers	The firm studies the evolution of what customers value in this business	1	2	3	4	5
3	Customers	The firm understands customers better than the competition	1	2	3	4	5
4	Competition	The firm understands key competitors in this business	1	2	3	4	5
5	Competition	The firm studies the evolution of competition in this business	1	2	3	4	5
6	Competition	The firm anticipates effectively competitive actions	1	2	3	4	5
7	Collaborators	The firm counts with key collaborators for its value proposition	1	2	3	4	5
8	Collaborators	The firm's key collaborators understand their role on the firm's value proposition	1	2	3	4	5
9	Collaborators	The firm holds a competitive advantage due to the relationship with its key collaborators	1	2	3	4	5
10	Context	The firm studies shifts in business context (i.e.: regulatory, technological, political, social)	1	2	3	4	5
11	Context	The firm adapts effectively to shifts in business context	1	2	3	4	5
12	Context	The firm adapts to shifts in business context better than the competition	1	2	3	4	5
13	Segmentation	The firm segments its customers	1	2	3	4	5
14	Segmentation	The firm's customer segmentation is related to the way customers make purchasing decisions	1	2	3	4	5
15	Segmentation	The firm adapts its offer to different customer segments	1	2	3	4	5
16	Targeting	The firm prioritizes its customer segments	1	2	3	4	5
17	Targeting	The way the firm prioritizes customer segments is related to the value of those segments for the business	1	2	3	4	5
18	Targeting	The way the firm prioritizes customer segments allows it to serve them better than the competition	1	2	3	4	5
19	Positioning	The firm has a defined positioning for its target customers	1	2	3	4	5
20	Positioning	The firm's positioning is valued by its customers	1	2	3	4	5
21	Positioning	The firm's positioning allows the firm to differentiate from the competition	1	2	3	4	5
22	Products - Services	The firm's products - services satisfy customer needs	1	2	3	4	5
23	Products - Services	Customers prefer the firm's products - services over the competition's	1	2	3	4	5
24	Products - Services	The firm anticipates the competition with innovations in products - services	1	2	3	4	5
25	Physical channels	The firm reaches customers through all physical channels they use to buy	1	2	3	4	5
26	Physical channels	The firm's go-to-market through physical channels is effective for business profitability	1	2	3	4	5
27	Physical channels	The firm's go-to-market through physical channels allows it to differentiate from the competition	1	2	3	4	5
28	Digital channels	The firm reaches customers through all digital channels they use to buy	1	2	3	4	5
29	Digital channels	The firm's go-to-market through digital channels is effective for business profitability	1	2	3	4	5
30	Digital channels	The firm's go-to-market through digital channels allows it to differentiate from the competition	1	2	3	4	5
31	Promotion & Communication	The firm directs promotional and communication activities to its target customers	1	2	3	4	5
32	Promotion & Communication	The firm's promotional and communication activities are valued by its customers	1	2	3	4	5
33	Promotion & Communication	The firm differentiates from the competition because of its promotional and communication activities	1	2	3	4	5
34	Pricing	The firm has a defined pricing strategy - policy	1	2	3	4	5
35	Pricing	The firm's pricing strategy - policy considers its different customer segments	1	2	3	4	5
36	Pricing	Customers are willing to pay more for the firm's offer than for the competition's	1	2	3	4	5
37	Customer acquisition	The firm understands its customer's decision journey	1	2	3	4	5
38	Customer acquisition	The firm facilitates customer purchase decisions along the different stages in their journey	1	2	3	4	5
39	Customer acquisition	Customers prefer to buy the firm over the competition	1	2	3	4	5
40	Customer satisfaction	The firm evaluates customers' satisfaction	1	2	3	4	5
41	Customer satisfaction	The firm takes specific actions to improve customers' satisfaction when needed	1	2	3	4	5
42	Customer satisfaction	Customers would recommend the firm over the competition	1	2	3	4	5

Figure B1: Marketing Strategy Competitive Maturity Questionnaire