Universität - Gesamthochschule - Paderborn
Fachbereich Wirtschaftswissenschaften
Lehrstuhl für Wirtschaftsinformatik 2

Diplomarbeit

Marketing Plans for Software Products

Best-Practices and Blue-Prints based on the case study
"Spanish Wholesale Banking Solution PLAZA''

vorgelegt bei

Prof. Dr. Ludwig Nastansky

betreut durch

Dipl. Wirtsch.-Inf. Stefan Smolnik

von

Oliver Kupka

International Business Studies

Matr.-Nr.: 33 93 247

Ansgarstrasse 20

33098 Paderborn

Wintersemester 2000

Eidesstattliche Erklärung

Ich erkläre hiermit an Eides Statt, daß ich die vorliegende Arbeit selbständig und nur unter Verwendung der angegebenen Hilfsmittel angefertigt habe. Die aus fremden Quellen direkt oder indirekt übernommenen Gedanken sind als solche kenntlich gemacht.

Die Arbeit wurde bisher keiner anderen Prüfungsbehörde vorgelegt und auch noch nicht veröffentlicht.

St. Paul (USA), den __________ __________

Datum Unterschrift

Acknowledgement

I would like to express my thankfulness for the excellent help and support to Mr. Stefan Wlcek, director of the External Clients department of dbsci Spain, and to Mr. Stefan Smolnik, representing the department of Prof. Nastansky at the University of Paderborn (Germany). Their cooperation was fundamental for the success for this thesis.

Additionally, I would like to highlight to contribution of two special persons:

Thanks Matthias – without your ideas and support this whole project would never had started nor succeeded. Especially in hard times one finds out who your real friend are. And you are definitely a real friend! I really appreciated all your help.

Thanks Roland – for everything. I am proud to have you as a brother.

Table of Contents

1. Introduction

1.1 Introduction

The need for Information Technology has risen over the last years as companies depend on IT to help them keep up with the rapid and unpredictable changes affecting their way of doing business and communicating globally. The IT market has become the largest market in the world; it has changed from being simply a passive consumer of technical products to an active specifier of technological services. Catching up with the rising demands of the market Technology companies are driven continuously to invent and deliver new products to the market. Increasing competition in the market force IT companies to base their different products on identical technologies. With so much in common, it has become difficult for the IT companies to differentiate them in the marketplace.

Technological superiority alone will no longer be a guarantee for success. Increasingly, IT companies must find alternatives to differentiate their products. And the new decisive factor for success in the IT market has become marketing. In such a competitive environment marketing becomes a matter of life and death for the IT companies. It is agreed on that marketing will determine the faith of each IT company.

IT Marketing has improved considerably over the past decade as IT companies have searched for ways to pool the fundamentals of business, and respond to competitive forces and rising demands. Throughout this period of change, groups of IT companies can be identified as organizations have sought to both understand Marketing and implement in effectively for the profit of the company.

However, there is still too often an inappropriate application of marketing concepts as many high-tech companies lack adequate marketing knowledge and skills. Mr. Kantrow has commented in the Harvard Business Review that “The mayor unfinished business of the research literature is to provide managers with needed guidance in their formulation of a technology strategy”[1]. For high-tech marketers it will be decisive to understand the whole scope of the marketing function.

1.2 Definition of Task

Paying tribute to the market developments, dbsci Spain has revised its internal organizational structure to introduce the marketing function as between the External Clients and Corporate Development department. While the department of Corporate Development focuses exclusively on the development of a corporate marketing strategy, the External Client department is responsible for the product marketing.

Given this context, the presented thesis aims to provide the theoretical framework for the tasks of a marketing department and to support the definition of a market presence for the Wholesale Banking Solution Software PLAZA. The task of the thesis is to help dbsci in the start-up phase of the company to sell products to the external market. Therefore, a theoretical marketing paradigm is elaborated resulting in a useful framework for practical work.

It is not an intention to provide in-depth technical discussions of specific marketing techniques, methods and theories as they apply to high-tech companies. Detailed explanations are clearly beyond the scope of this thesis. Neither it is intended to define an overall business strategy for the dbsci organization. However, it is aimed to present the whole scope of the marketing function. The focus of the thesis concentrates more on what to do to elaborate a competitive marketing paradigm for the dbsci organization, rather than how to do it.

Furthermore, an additional object of this thesis is to summarize trends in both the Financial and Information Technology sector to determine the benefits of PLAZA it can provide to potential clients. These identified benefits will serve as convincing sales arguments in the plan to be elaborated for concrete marketing activities.

[1] Kantrow 1980 in: Harvard Business Review July, August 1980, p.18

1.3 Structure of Thesis

The *second chapter* starts with a definition of the nature of a product. The concept of the Total Product is presented. To provide a theoretical starting point to further explanations, the product software is characterized and classified.

The *third chapter* embodies the theoretical framework for the marketing department. Starting with a definition of software marketing, the context of marketing in the overall business strategy is shown. The main steps are highlighted in order to implement a successful marketing plan within a high-tech company. All marketing activities related to the creation of a successful marketing mix will be presented.

The *fourth chapter* analyses organizational buying behavior. It will be examined which impact the buying behavior with its behavioral characteristics and decision-making processes has on the design of a competitive marketing plan.

The *fifth chapter* gives an overview of the trends in the Financial Industry and the IT industry as well as the actual market situation for Banking Solution Software. Later the product PLAZA is presented and convincing sales arguments are identified. In conclusion, practical recommendations concerning the marketing mix for the product PLAZA are elaborated.

The *sixth chapter* summarizes the main findings of the thesis and gives an outlook for the future.

2. The Product Definition

The understanding of the nature of products is fundamental for marketing strategies. To Lindgren Jr. and Shimp, a thorough understanding of products has an impact on a company's success, because "at the core of every organization, business or otherwise, is a product"[2].

The term product is used quite specifically in a number of contexts in the marketing literature and it will be helpful to summarize and define these contexts to understand the importance of a product in marketing. According to Kotler, the product "is a key element in the market offering"[3], and McNamee and McDonell observed "the product is the most important element in a company's marketing mix"[4]. The marketing mix describes the conceptual framework used and controlled by business managers in order to implement the marketing program[5]. To Akhter, a marketer has to develop products to satisfy consumers, price products to achieve a competitive edge, distribute products to make them available at the right place and time, and promote products to encourage consumer patronage. "Although each component is important for delivering satisfaction to consumers, product is the most significant"[6].

Given the central role the product plays in the marketing process it is obvious that there can be no single definition of such a complex phenomenon as "a product". In a single chapter the author can only introduce some of the important ideas and outline the main characteristics. At the end of the chapter an attempt will be made to define and classify the product software, providing a starting point to further discussions.

2 Lindgren Jr. and Shimp 1995, p.224
3 Kotler 2000, p.394
4 McNamee and McDonell 1995, p.111
5 see Mahin 1991, p.194
6 Akhter 1995, p.56

2.1. The Total Product Concept

Researching the marketing literature for a definition of a product one encounters a wide range of definitions. Perhaps Kotler provides the simplest and most obvious approach to product definition: “A product is anything that can be offered to a market to satisfy a want or a need”[7]. Alternatively, a product has been specified as anything bought, leased, or bartered for[8]. Akhter, however, holds a much broader view. To him, “a product is something that has an exchange value. As such, products are not limited to physical objects, but include ideas, organizations, and people”[9]. Following in the same line, Phillips, Doole and Lowe state that “the product must be seen as a bundle of satisfactions providing people not with products but with satisfying experiences, and in terms of benefits provided rather than the function performed”[10]. In general, the consistency of these presented theories allows the author to make a basic definition of any product, namely, that it is a bundle of attributes and that it is the need and perception of the consumer which will determine which of these definitions is most apposite in any given set of circumstances.

In defining the term product, Phillips *et al.* include not only the core physical properties but also additional elements such as packaging, warranties, after-sales service and branding[11] that make up the total package for the purchaser[12]. Akhter shares this notion - to him a product consists of tangible and intangible attributes, which both form the Total Product Concept[13].

Tangible attributes are identified elements like raw materials, price, size, weight, features, design, and packaging. The intangibles attributes include brand image, styling, and the additional benefits and services connected with the product such as installation, free delivery, warranty, and after-sale services among others.

7 Kotler 2000, p.394
8 see Lindgren Jr. and Shimp 1995, p.224
9 Akhter 1995, p.57
10 Phillips, Doole and Lowe 1995, p.282
11 A brand is a name, term, symbol, design, or combination thereof that identifies a seller’s product and differentiates them from competitors’ products – Lamb Jr., Hair Jr. and McDaniel 1998, p.27
12 see Phillips *et al*. 1995, p.283
13 see Akhter 1995, p.58

Murray and O'Driscoll amplify this idea by making a more detailed distinction regarding to the tangible attributes of the product. They identify three dimensions as characterizing the product as a "bundle of physical, service and psychological benefits"[14]. The following figure visualizes their idea:

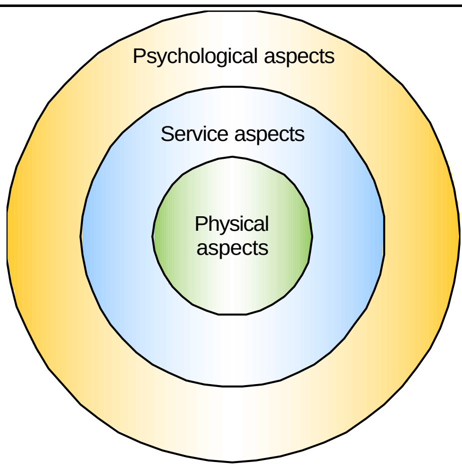

Figure 1: The different dimensions of the Total Product[15]

The physical aspect consists of the tangible, performance-related element of the product. The service aspect embodies all the product benefits that make the physical product saleable. The psychological aspect mainly contains the reputation of the product and its brand or manufacturer's name.

In recent years the recognition that tangible elements of the product are relatively easy to copy has lead to a much greater emphasis upon the intangible elements. Today, there is increased pressure on companies to add further to their product offerings - this is the concept of product augmentation. Augmenting a product essentially means adding additional benefits for the customer to it in order to increase the distinctiveness of the product and hopefully secure a competitive advantage in the market[16]. Augmentation could take the form of offering, for example, an extended warranty or free installation. "Product augmentation leads the marketer to look at the user's total consumption system: the way the user performs

14 Murray and O'Driscoll 1996, p.287
15 see Ahrweiler-Weissman and Weissman in: Gablers Magazin 02/99, p.13
16 see Lindgren Jr. and Shimp 1995, pp.226

the task of getting, using, fixing and disposing of a product"[17]. Theodore Levitt notes that in the future, competition will not take place between what firms produce in factories but "between what they add to their factory output in the form of packaging, services, advertising, customer advice, financing, delivery arrangements, warehousing, and other things that people value"[18].

The net outcome of these trends is the definition of the Product Market Offering. "The customer will judge the offering by three basic elements: product features and quality, services mix and quality, and price appropriateness"[19].

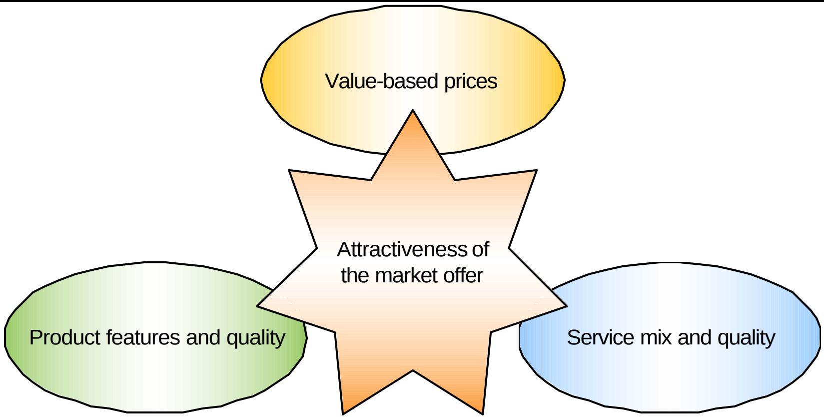

Figure 2: The Components of the Market Offering[20]

In this context the author wants to draw the attention to the role of services[21]. It has been shown that services form part of the Total Product. But services itself can constitute a product, too[22]. In the marketing literature the term product is used interchangeably to define physical goods as well as services. Phillips *et al.* point out that "few, if any products can be regarded as pure products, or services as pure services, and most offers made by marketers are in fact, a combination of both"[23]. For services such as banking or retailing the center of the market offering is made up of services attributes, but undoubtedly physical attributes are necessary to execute

17 Kotler 2000, p.395
18 Levitt 1969, p.2
19 Kotler 2000, p.394
20 Kotler 2000, p.395
21 A service is any act or performance that one party can offer to another that is essentially intangible and does not result the ownership of anything. Its production may or may not be tied to a physical product - Kotler 2000, p.428
22 see Kotler and Armstrong 1991, p.252

the service, too. The difference between products and services is basically a question of the balance between physical and service attributes: “all services are partly product and all products are partly service”[24].

2.2. The Nature of the Product Software

In the literature, software is either categorized as a high-technology product or is summarized under the product-family of Information Technology (IT)[25]. To aid preciseness to further explanations in the course of the thesis, a short definition of the terms “high-tech product” and “Information Technology” is warranted.

To Davidow, it is hard to define what a true high-tech product is because in the market there are no well-worn paths to follow[26]. Definitions of High-Technology vary from the very subjective to the very quantitative and as a result, Shanklin and Ryans Jr. conclude that there cannot exist a generally accepted definition. Instead, they identified three basic characteristics to describe companies participating in a business with high-technology character: “The business requires a strong scientific / technical basis; new technology can obsolete render existing technology rapidly; and as new technologies come on stream their applications create or revolutionize markets and demands”[27].

Similar to High-Technology, there exist a multitude of definitions for Information Technology. Representing a number of comparable definitions, Davis and Hamilton introduce the following approach: “Information technology refers broadly to the technology of computers and electronic communications as applied to processing, transfer, and storage of information. It encompasses computer hardware, data communications, software, and a large variety of input and output devices”[28].

23 Phillips *et al*. 1995, p.281
24 Murray and O’Driscoll 1996, p.289
25 In the course of the thesis the terms software and high-tech product will be used interchangeably.
26 see Davidow 1986, p.28
27 Shanklin and Ryans Jr. 1985, p.19
28 Davis and Hamilton in: Billeter 1995, p.10

2.2.1. Definition of the Product Software

Without going into greater technical detail, the term software can be defined in various ways. The Merriam-Webster Dictionary specifies it as “the entire set of programs, procedures, and relate documentation associated with a system and especially a computer system”[29]. Or even simpler, “Software is Instructions for the computer (...) Software tells the hardware how to process the data”[30]. Hollensen states that software includes know-how and services, which comprise advisory services and assistance in connection with various applications and approvals[31].

Software is often divided into two main categories[32]:

Systems Software:	Includes the operating system and all the utilities that enable the computer to function;
Applications Software:	Includes programs that do real work for users. For example, word processors, spreadsheets, and database management systems fall under the category of applications software.

To structure the software market, Diebold takes a different approach. He divides the whole market into *Standard Software*, *Individual Software* and *Service* segments[33]:

29 Merriam’s Webster Collegiate Dictionary 2000
30 TechEncyclopedia 2000
31 see Hollensen 1998, p.301
32 Webopedia 2000
33 see Diebold 1989, pp.15

Structure of the Software Market		
Standard Software	System-Software	Operating Systems
	Standard Application Software	Commercial Software Technical Software
Individual Software	Individual Application Software	Development due to order Development of user
Services	Hardware Maintenance Data Processing Center Services Consulting Training	

Table 1: The Structure of the Software Market

Standard Software is the software offered to the completion of identical or similar tasks of an application for different users[34]. The application of standard software structures a company's internal workflows by defining standards for communication, usage, and training[35]. Diebold splits the standard software segment into system software and standard application software. System software represents the operating systems, which facilitate and coordinate the exchange of data between the periphery units and the different software programs. In contrast, standard application software is characterized as problem-orientated software to solve concrete problems of the user. Depending on the problem, further differentiation is made between commercial software and technical software.

Individual Software, often identified as project software, represents the client-specific developed software in order to a concrete order. Individual software respects the existing structures within a company offering company-tailored solutions for specific workflows or problems[36]. The onward separation between the development made by the provider or user is only important to the estimation of market potentials.

34 see Kirsch, Boersig and Englert 1979, p.34
35 see Office Management 03/99, p.7
36 see Office Management 03/99, p.6

To Diebold, the *Services* include Hardware-Maintenance, Data Processing Center services, Consulting, and Training[37]. This sector has not only augmented in recent years regarding to an increased volume of sales, but has also become a crucial differential factor to competition[38].

The following discussions on marketing in this thesis are geared towards the marketing of standard application software. This will include the scope of the services since they are offered together with the software and therefore form part of the Total Product.

2.2.2. Classification of the Product Software

With regard to the classification of the product software the question arises whether software can be characterized as a service or a benefit in kind. But the literature on marketing has tended to give little attention to this characterization as most authors try to classify software on the basis of characteristics of consumer goods versus industrial goods. A product's classification is essential to marketing because consumer products and industrial products are marketed differently[39].

In general, products can be classified on who the buyer is and for what purpose the product is being bought. If a product is purchased by a consumer for his household's own use, the product is classified as a consumer good. Consumer goods "directly satisfy human wants"[40]. Significant criterions for the consumer goods market are a high number of consumers, a relatively low volume of investment and a multi-level, indirect distribution. Consumers in this sense can be private as well as institutional demand[41].

If a product is purchased by individuals or organizations for further processing or for use in conducting a business, then this product is classified as an industrial good[42], also classified as a business-to business good. The industrial goods market differs from the consumer markets "by its heterogeneity of market segments, by their

37 see Diebold 1989, pp.15
38 see Muschalla in: Office Management 41 (1993), p.94
39 see Lindgren Jr. and Shimp 1995, p.227
40 Merriam's Webster Collegiate Dictionary 2000
41 see Meffert 1986, p.40

geographic concentration, and by the distribution of purchasing power into the hands of a small number of accounts"[43]. In contrast to the consumer goods market, the industrial goods market features a better purchasing management and a closer client relation[44].

Through this, different problems exist for marketing. Whereas the marketing for consumer goods concentrates on indirect and multi-level marketing, the focus of the industrial goods marketing lies on a direct and thus one-level individual marketing approach[45]. Industrial marketing success depends largely upon product design, cost, and service innovation. "Consequently, industrial goods marketers do not control many of the factors that directly affect success in the marketplace, whereas consumer goods-marketer do control the core elements of marketing success like advertising, promotion, or merchandising"[46].

In correspondence to the definitions of the section the standard application software can be identified as an industrial product. Therefore, the industrial marketing approach will provide the theoretical background to the marketing conceptions being elaborated in the course of this thesis.

42 see Kotler and Armstrong 1991, p.279
43 Mahin 1991, p.21
44 see Kotler 1995, pp.294
45 see Meffert 1986, p.47
46 Ames and Hlavacek 1984, p.101

3. Theoretical Framework of Software Marketing

In the common marketing literature the interests of the software industry are not explicitly mentioned. Even though the term is used in the literature, there is no uniform definition of the term software marketing[47]. For this reason, marketing conceptions for this special area are based on the already existing marketing conceptions[48].

But the importance of marketing is still underestimated by the software industry. Shanklin and Ryans Jr. stated in their book “Marketing High Technology” that high-tech firms lack adequate marketing knowledge and skills. This, in turn, results in a higher product failure rate than if appropriate marketing concepts and methods were applied. “Marketing knowledge and expertise is vital to the success of high-tech firms”[49]. And especially in the high-tech market, “where the competition is fierce, where the margins can easily be eroded, where technological developments are rapid, [...] the need for this marketing attitude or function is even more vital”[50].

Due to the importance of marketing the author will elaborate on a definition of marketing with its various functions to provide a theoretical background for further explanations.

47 see Rohr and Streicher 1994, p.10
48 see Schildhauer 1992, p.9
49 Shanklin and Ryans Jr. 1985, p.4
50 Withnall in: Field 1996, p.35

3.1. The Marketing Concept

In 1776, when Adam Smith identified consumption as the sole and purpose of production[51], he was describing what in recent years has become known as the marketing concept. At the core of the marketing approach to business is the marketing concept – from a holistic standpoint it is about how the business as a whole operates[52]. To Barwell, "the marketing concept is a philosophy, not a system of marketing or an organizational structure. It is founded on the belief that profitable sales and satisfactory returns on investment can only be achieved by identifying, anticipating and satisfying customer needs and desires"[53].

More recent definitions of marketing have sought to broaden the concept to include non-commercial organizations. Of the numerous definitions offered, typical is that of Kotler: "Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others"[54].

Turning from the conceptual level to what marketing means as a function in a firm, the American Marketing Association defines marketing as "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that will satisfy individual and organization objectives"[55]. In Britain, the Chartered Institute of Marketing (CIM) characterizes marketing as "the management process responsible for identifying, anticipating and satisfying customer requirements profitably"[56].

CIM's definition introduces two new important ideas: the management process, and profit. It was shown that there is more to marketing than selling and advertising. "Marketing includes selling and advertising activities, but it is much more"[57].

51 Consumption is the sole end and purpose of all production: and the interests of the product ought to attended to, only so far as it may be necessary for promoting that of the consumer - Smith 1977, p.7
52 see Bagozzi 1986, p.18
53 Barwell in: Wilson 1965, p.3
54 Kotler 2000, p.8
55 Bennett 1995, p.166
56 The Chartered Institute of Marketing 2000
57 Lindgren Jr. and Shimp 1995, p.5

Marketing does not involve just people giving what they want. It also adjusts what the firm can profitably provide to what customers want. The essential requirements of marketing are the identification of customers' needs, the definition of market segments and the creation of a differential advantage within the target segments. The definitions suggest that marketing is concerned with all or more aspects of a firm's activity. Marketing is operating between the company, its customers, and its competitors. The essence of this evolution is embodied in the following definition:

The marketing concept holds that the key to achieving its organizational goals consists of the company being more effective than competitors in creating, delivering, and communicating customer value to its chosen target markets [58].

Constituting the link between a company and its selected market, marketing plays a central and critical role in the strategic business planning process of a company[59]. Marketing not only provides the data and information used to identify and analyze environmental opportunities and threats, but also takes part in the formulation of corporate and business strategies by making recommendations concerning these opportunities and threats. Finally, marketing is responsible for developing, implementing, and controlling marketing strategies designed to take profitable advantage to marketplace opportunities at both global and local levels[60]. To establish the context for marketing, the understanding of how marketing fits into the organization's overall corporate strategy is fundamental[61].

58 Kotler 2000, p.19
59 see Kotler and Armstrong 1991, p.37
60 see Kotler and Armstrong 1991, p.37
61 see Czinkota, Kotabe and Mercer 1997, p.20

3.2. Strategic Market Planning

Returning to the roots of the term strategy, the Oxford English Dictionary shows that it is derived from the Greek word for the office of a commander or general, and defines it as:

The art of a commander-in-chief; the art of projecting and directing the larger military movements and operations of a campaign. Usually distinguished from tactics, which is the art of handling forces in a battle or in the immediate presence of the enemy.

Strategy is therefore broad in scope and looks to the overall patter of events, it "is the game plan used to achieve future objectives and goals"[62]. To corroborate the definition of strategy, Smith, Berry and Pulford gathered some additional definitions made by some marketing professionals. They detected that strategy can be seen as a "big picture", "a long term view", "a way of achieving objectives or "a guideline for tactics"[63]. Taken this together, "objectives are what the business unit wants to achieve, [...], and strategies are how (the business unit) wants to achieve the objectives"[64]. Smith *et al.* outlined that strategy involves a series of decisions of how to achieve the objectives affecting all the subsequent tactical details. "Tactics are the details of the strategy. Tactics are driven by the strategy"[65].

Strategic market planning is the process by which an organization anticipates changes that can affect its competitive position and sets objectives and allocates resources to respond to those changes[66]. The planning process delivers the firm's total strategic approach to a marketplace[67]. Although the sophistication with which planning is done has risen remarkably in the past decades, and despite the fact that planning is considered the foundation of management, to Gerstner Jr. it is still one of the poorly performed managerial tasks[68]. He criticizes the manager's lack of

62 Toyne and Walters 1993, p.53
63 see Smith, Berry and Pulford 1997, p.75
64 MacDonald and Dunbar 1995, p.127
65 Smith *et al*. 1997, p.75
66 see Schanck in: Industrial Marketing Management, November 1979, p.258
67 Abell and Hammond 1979, pp. 3
68 see Gerstner Jr. in: Kerin and Peterson 1980, p.52

commitment to planning – often planning is brushed aside by management with statements like: “Strategic planning – A staggering waste of time”[69]. Instead, as Shanklin and Ryans Jr. highlight, to any corporation, strategic planning is a must. Especially “in the turbulent world of high technology, strategic planning becomes even more critical”[70].

The inclusion of the term “market” in strategic planning serves to emphasize that the strategy developed by the planning process are driven by market forces rather than by internal factors[71]. Strategic market planning has to find a working relationship between the company and its environment that is consistent with the characteristics of that environment as well as the firm’s objectives, capabilities, and resources. It is the managerial process of formulating objectives that defines the basic mission and long-term objectives of the company as well as the plans of action for attainting the goals[72] and “to shape the business and products so that they yield target profits and growth”[73].

In this context it is important to outline the difference between forecasting and planning, as forecasting is by no means synonymous with planning. Forecasting methods are based on the premise that the future will be a continuation of the past using structural relationships between and among variables to determine the general level of business activity[74]. Planning instead is a systematic process involving assessing market opportunities and resources, determining strategies to ensure that resources are utilized effectively, and developing a plan for implementation and control. “Planning helps to ensure that resources are utilized effectively, and that businesses are ready to respond to the unexpected”[75].

Before strategic planning can begin, the organization has to be divided into planning units and consequently, so-called strategic business units (SBU) have to be defined. These units must be neither to small nor too large to be meaningful for

69 Gerstner Jr. in Kerin and Peterson 1980, p.53
70 Shanklin and Ryans Jr. 1985, p.179
71 see Toyne and Walters 1989, p.51
72 see Johnson and Scholes 1997 ,pp.4
73 Kotler 1999, p.64
74 see Aaker 1992, p. 28
75 see Dibb, Simkin and Bradley 1997, p.4

planning purposes[76]. The ideal SBU is “any organizational unit that has (or should have) both a defined business strategy and a manager with sales and profit responsibility”[77]. To qualify as a SBU an entity within a larger organization, Day and Aaker provoked with their respective works a discussion, which disembogued in the identification of discernible characteristics[78]. The SBU should be strategically autonomous and have a distinct group of customers and competitors, both of which are different from those of other SBU’s within the firm. Additionally, management of each SBU should have control over the factors that are critical to success in its industry exercising a great deal of autonomy[79]. The SBU management method allows an organization to structure its efforts by industry or markets served rather than by products, functions, or production processes[80].

To understand strategic planning, Kotler outlines the need to recognize that companies consist of different organizational levels[81]. Planning takes place at several levels of the strategically managed firm and therefore different levels of strategy can be identified in a commercial context[82]:

Corporate strategy: The determination of the business in which a company will compete and the allocation of resources among the business. A corporate strategy is a statement of a company’s purpose, growth direction, and long-range objectives.

Business strategy: The definition of how a company will compete in a given business and position itself among its competitors. Exists at the level of the individual business or division. A business strategy is a detailed statement of the business unit’s definition, mission, objectives, and the approaches to be used to achieve the company’s long-range objectives.

Function level strategy: The setting of actions of specific functions within specific business in according to the overall strategy. A functional strategy is a

76 see Abell and Hammond 1979, pp.3
77 Aaker 1984, pp.8
78 see Day 1985 pp. 41
79 see Day 1985 pp. 41
80 see Kerin and Peterson 1980, p. 12
81 see Kotler 2000, p.64
82 see O’Shaughnessy 1988, p.19; Toyne and Walters 1993, pp.56

detailed statement of the short-range objectives and methods to be used by a functional area to achieve its business unit's short-term goals and the company long-range objectives.

In this context it is important to ascertain that there is hierarchical relationship among the strategies[83]. A search of the literature concerned with the topic reveals[84] that strategy is translated into functional objectives and strategies. The move from a corporate strategy to a functional strategy signifies a move down the organizational hierarchy and increasing closeness to the market. What is a strategy at one level becomes an objective for the next level down. Exemplifying this concept, marketing strategies within the corporate plan become operating objectives within the marketing department. Strategies at the general level within the marketing department themselves become operating objectives at the next level down, so that "each primary strategy constrains every other primary strategy"[85]. To visualize this idea, figure 3 shows the different planning levels starting with the mission statement[86] by forming a triad of objectives, strategy and tactics.

83 see Kotler and Armstrong 1991, p.32
84 see e.g. Abell and Hammond 1979, pp. 449
85 Toyne and Walters 1993, p.58
86 The firm's long-term vision based on a careful analysis of benefits sought by present and potential customers and analysis of existing and anticipated environmental conditions – Lamb Jr. *et al*. 1998, p.27

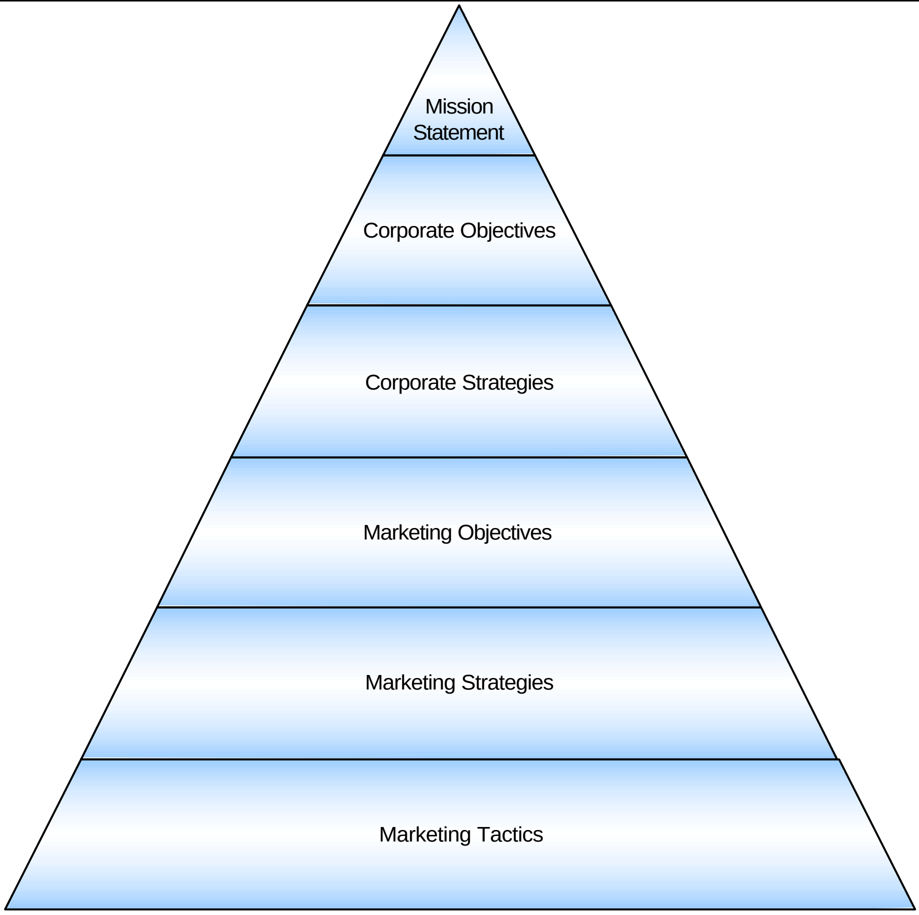

Figure 3: The different Planning Levels of a Company

On the basis of a literature review Greenly[87] identified some differences between marketing planning (seen as an annual exercise) and strategic business planning (seen as being of long-term nature)[88]. These differences indicated that strategic business planning logically precedes marketing planning by providing a framework within which marketing plans might be formulated. Greenly outlined the different emphasizes of each planning process in the following table:

87 Greenly in: Journal of General Management, Vol. 12, No.1, 1983, p.56

88 The time horizon for strategic planning will vary upon the nature of the firm, but 5 years is a typical time horizon – Cohen and Cyert in: Kerin and Peterson 1980, p.44

Strategic planing	Marketing planning
Concerned with overall, long-term organizational direction;	Concerned with day-to-day performance and results;
Provides the long-term framework for the organization;	Represents only one stage in the organization's development;
Overall orientation needed to match the organization to its environment;	Functional and professional orientation tends to predominate;
Goals and strategies are evaluated from an overall perspective;	Goals are subdivided into specific targets;
Relevance of goals and strategies is only evident in the long term.	Relevance of goals and strategies is immediately evident.

Table 2: The Marketing/Strategy Interface

As seen, every planning process involves a different emphasis, time frame, and functional content. Whereas strategic planning is much broader in scope and provides a long-term marshalling of corporate resources to achieve strategic objectives, the emphasis of marketing planning is entirely different. The next chapter will be concerned with the introduction of marketing planning.

3.3. Strategic Marketing

The previous section of this chapter has asserted that marketing strategy is inextricably related to corporate strategy[89]. The presented dictionary definition of strategy was based on a military sense describing strategy literally as a large-scale plan for winning a battle. Put into a marketing context, strategy can be defined as "the art of allocating and organizing (the firm's) resources in such a way that imposes on the competition the time, place and conditions for competing that match (the firm's) strengths"[90]. Or expressed differently, marketing strategy is how the organization allocates its resources to satisfy consumer needs and achieve a competitive advantage[91].

The task of competitive marketing strategy is "to create a vision of the company's future for managers, who as a result will experience less uncertainty about the short-term decisions, that they make, and have more freedom to develop

89 see Murray and O'Driscoll 1996, p.226
90 Dibb *et al*. 1997, p. XXIV
91 see Bagozzi 1986, p.9

their long-term contributions"[92]. With the help of such strategy the business will be moved from its present position to a stronger competitive one. "This must be done by adapting and responding to external trends and aligning external opportunity with internal capability"[93].

Figure 4: The Strategic Planning Process[94]

Without a doubt, setting objectives and strategies are the key step in marketing planning[95]. There can be objectives and strategies at all levels of marketing, such as advertising objectives and strategies or pricing objectives and strategies. However, the important point to remember about marketing objectives is that they are about products and markets only[96], and also need to be closely related to the firm's particular capabilities in the form of its assets, expertise and reputation that have evolved over a number of years[97]. Advertising, pricing and sales promotions are some of the means by which the marketing objectives will be achieved and are generally concerned with the marketing mix, which will be presented explicitly in Chapter 3.4.

92 Phillips *et.al*. 1995, p.190
93 MacDonald 1992, p.18
94 MacDonald 1992, p.18
95 for further discussion, see Speidel 1999
96 see MacDonald 1989, p.33
97 see MacDonald 1992, p.74

3.4. The Strategic Marketing Planning Process

The process of formulating longer-term marketing objectives and strategies in a systematic manner has become known as the strategic marketing planning process. Marketing planning is a systematic management process[98], which consists of "analyzing marketing opportunities, researching and selecting target markets, designing marketing strategies, planning marketing programs, and organizing, implementing, and controlling the marketing effort"[99]. Marketing planning per se is not an end in itself – "rather the adoption of a formal process should be seen as the means of providing a clear structure to existing efforts"[100]. The assertion is that proceeding sequentially through phases decisions are made. "The principle of sequential phases represents an orderly and cumulative approach to problem solving"[101].

Conceptually, this process is intellectually simple to understand, but in practice it is the most difficult of all marketing tasks. This is due to the fact that it involves bringing together into one coherent plan all the elements of marketing, and to do this at least some degree of institutionalized procedures are necessary. There is a considerable number of strategic analysis concepts, methods and techniques from which draw guidelines for competitive marketing strategies[102]. What is agreed upon, however, is that strategic planning represents a useful process by which an organization formulates its strategies adapted to the organization and its environments. The planning process aims to help the organization to set and reach realistic objectives and achieve a desired competitive position within a defined time[103]. The main steps of marketing planning will be shown on the basis of the model elaborated by Thompson:

98 see MacDonald 1989, p.34
99 Kotler 2000, p.86
100 Dibb *et.al*. 1996, p.3
101 Murray and O'Driscoll 1996, p.219
102 for example see Porter 1980
103 see MacDonald 1992, p.18

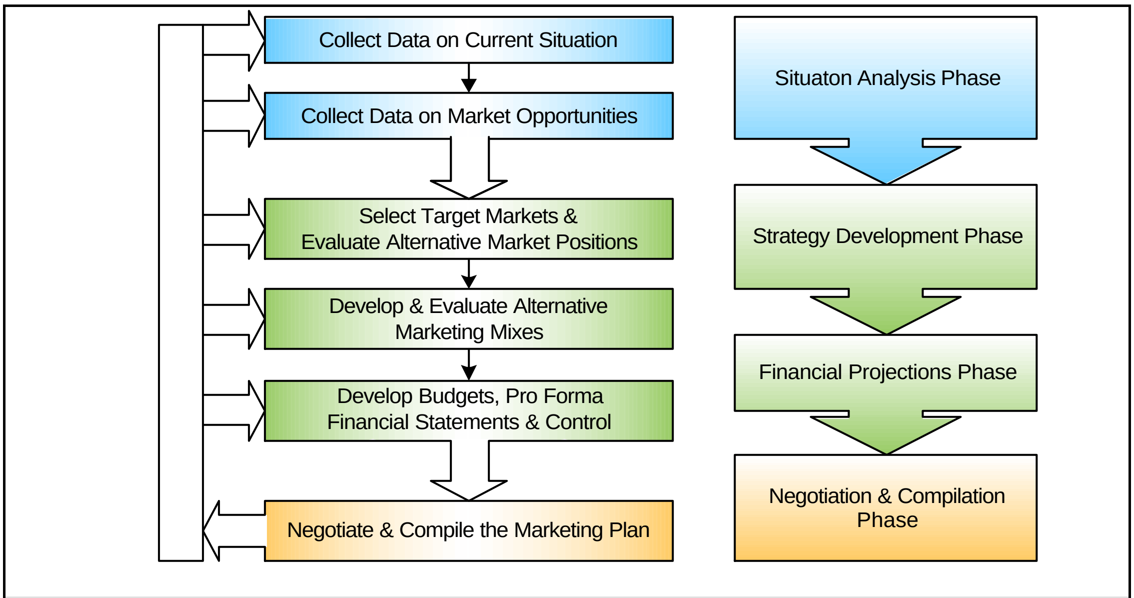

Figure 5: The Strategic Marketing Planning Process[104]

The purpose of the following sections of this chapter is to explain as succinctly as possible the different phases of marketing planning that managers may use in generating the marketing plan. The process can be segmented into four basic phases:

- The Situation Analysis Phase;
- The Strategy Development Phase;
- The Financial Projections Phase; and
- The Negotiation & Compilation phase.

Thompson advises that although the steps tend to occur in the order indicated, they should be better regarded as an interrelated sequence of events requiring multiple iterations until the plan is finally developed.

3.4.1. The Situation Analysis Phase

The situation analysis concentrates on analyzing the current state of the firm's marketing efforts "involving the collection and organization of information about markets[105] and the trading environment facing the firm"[106]. To this end, the situation analysis is conducted as a series of two separate, but related, analyses.

104 see Thompson 1999
105 A market is a set of all actual and potential buyers of a market offer - Kotler 2000, p.118
106 Dibb *et al*. 1997, p.6

The starting point of this phase is referred to as a marketing audit – "the comprehensive, systematic, independent, and periodic examination of a company's - or business unit's - marketing environment[107], objectives, strategies and activities"[108]. With the help of the audit the managers arrive at a measure both of environmental opportunities and threats and of the organization's marketing capability. The thinking that underpins the concept of the marketing audit is straightforward: objectives and strategies can only be developed effectively against the background of a detailed and objective understanding of corporate capability and environmental opportunity. The audit is, therefore, as McDonald has suggested, "the means by which a company can identify its own strengths and weaknesses as they relate to external opportunities and threats. It is thus a way of helping management to select a position in that environment based on known factors"[109].

Consequently, the marketing audit can be seen in terms of providing a sound basis to the next step of this phase: the marketing opportunity analysis (MOA). Expanding time and resources pursuing new opportunities, the task now is to identify the potential long-run opportunities of the company given its market experience and core competence[110]. To look for market opportunities means, "attempting to identify a customer group that possesses a specific need (or needs) that can be satisfied by offering a particular product or service. The MOA is the systematic searching for and analysis of these opportunities"[111]. This search for Marketing Opportunities is extremely challenging for high-tech products. Due to the imbalance of the technological interest between the buyer and seller it is the task of the selling company to explain and convince of the advantages of purchasing the product[112]. In the IT-Market exists a disconcertment of market opportunities as "buyers are often not aware of the technological capabilities that exist (or could exist) to solve their problems and fulfill their current or latent desires"[113]. As a consequence, the

107 The company's marketing environment is made up of the sectors and forces outside the firm's marketing function which infringe upon the ability of marketing management to develop and maintain a successful relationship with the firm's target group - Kotler 1988, p.135
108 Kotler 1988, p.747
109 MacDonald 1984, p.14
110 see Kotler 2000, p.86
111 Thompson 1999
112 see Shanklin and Ryans Jr. 1985, p.75
113 Shanklin and Ryans Jr. 1985, p.76

prevision for future demand becomes less predictable. Nevertheless, the adequate application and tailoring of market research to the problems of high-tech marketing helps to overcome the difficulties of the determination of Market Opportunities[114].

The data gathering and analytical skills for both the marketing audit and the MOA are provided by market research. To Kotler, marketing research is an indispensable tool for assessing buyer wants and behavior and rate market size[115]. It is "the systematic gathering, recording, and analyzing of information about problems and opportunities relating to the marketing of industrial goods and services"[116]. In the competitive IT-Market, companies with superior information enjoy a competitive advantage. Nowhere is planning more important than the identification of the most appropriate and profitable opportunities for a high-tech firm's product. As markets for specific services become more and more mature, the search for niches or subsets of the market where the firm has a competitive advantage and expertise is fundamental. Therefore, it is fundamental that the marketing department provides management "with information that is timely, reliable, synthesized and carefully interpreted"[117].

With the gathering and analyzing of information the first step in the process of marketing planning is completed. In the next step it comes in deciding what the data actually means for the company and how it can react upon it.

3.4.2. The Strategy Development Phase

After the completing of the situation analysis phase the next step in the planning process is strategy formulation. Earlier it was shown that the task of strategy is to provide the how the marketing objectives can be achieved. To do so, decision have to be made on selecting a target market, identifying a desired market position within that targeted market, and constructing a marketing mix to achieve that position[118].

114 see Shanklin and Ryans Jr. 1985, p.77
115 see Kotler 2000, p.86
116 Cox 1979, p.3
117 Mahin 1991, p.209
118 see Thompson 1999

The focusing of target markets to serve follows directly from the situational analysis and is done by the market segmentation process. The term market segmentation was developed in the marketing literature to describe the activities associated with the target market selection that is, breaking the total market into logical market segments with similar wants, purchasing power, geographical location, buying attitudes, or buying habits[119]. The segmentation process is made up of analytical techniques for identifying homogenous groups of customers based on their preferences with the end of optimally allocation resources to any subset of the identified segments. The rationale for segmentation is based on the idea that only rarely a single product or marketing approach appeal to the needs and wants of a disparate group of potential clients[120]. Because of this there is a need for the marketing strategist to subdivide the market into manageable segments with a view then to adopting both of the product and marketing program to satisfy more specifically these needs and wants. With applying different marketing programs for each segment, inherent differences within each segment are minimized and differences between each segment are maximized. To implement successful marketing programs it is necessary to understand who the customer is, what the customer is looking for, and how the customer will expect to have it delivered[121].

The ways for segmentation are virtually limitless but the selection is basically restricted to factors such as the amount of competition, the nature of the product, the life-style stage and the extent of differentness from competition[122]. The most obvious approach for high-tech firms is the segmentation by product characteristics[123]. However, the size of the organization, standard industrial classification and geographical location are the three most applied segmentation methods of the IT-Market[124]. Effective selection requires integration of the various decision criteria that play interrelated roles in determining product profitability, marketability, and manufacturability.

119 see Kotler 2000, pp.256
120 see Wind in: Journal of Marketing Research, 08/72, p.318
121 see Withnall in: Field 1996, p.36
122 see Davidow 1985, p.22
123 see Davidow 1985, p.18
124 see Withnall in: Field 1996, p.41

Having decided how to best segment the market, the strategist should then be in a position to identify those segments which, from the organizational point of view, represent the most attractive targets and how the company will compete in these segments[125]. Consequently, the task of market targeting is to evaluate each segment's attractiveness and select one or more of the market segments to enter[126]. Once a decision has been made on the breadth of market coverage it is necessary to consider how best to position the organization each target segment.

Two American consultants Ries and Trout promoted the concept of positioning. The key element, as they expressed, is that, "Positioning is not what you do for a product. Positioning is what you do to the mind of the prospect. That is, you position the product in the mind of the prospect"[127]. Positioning is an important strategic concept closely related to a firm's value proposition. To Webster, "positioning is a way of communicating strategy"[128]. That is stating how the company wants to be viewed by its customers compared to its competitors[129]. In other words, positioning is therefore the process of designing an image and value so that customers within the target segment understand what the company with its products stands for in relation to its competitors[130]. Without clear positioning, marketing strategy misses focus and direction, and the company's value proposition cannot be communicated either to potential customers or within the organization. The image of a product consist of its characteristics, its ability to satisfy the needs of the customer, and how it differentiates itself against other existing products or services currently available in the market[131]. Branding is the main tool to distinguish products from the competition[132]. Therefore the task for each high-tech marketeer has to be "to turn of the corporate image into a brand position which is relevant to the service needs of the targeted customer"[133].

125 Doyle and Saunders in: Journal of Marketing, Vol.49, Spring 1985, p.26
126 see Kotler and Armstrong 1991, p.219
127 Ries and Trout in: Kotler 2000, p.298
128 Webster 1991, p.103
129 see Webster 1991, p.97
130 see Kotler and Armstrong 1991, p.219
131 see Thompson 1999
132 see Lamb Jr. *et al.* 1998, p.285
133 Field 1996, p.19

Finally, marketing planning must always result in a detailed set of actions which implement the recommended marketing strategy and which aim to satisfy the targeted customers. These actions manifest themselves in the marketing mix, the tactical details of the organization's strategy. The concepts and issues involved in these activities will be developed in Chapter 3.4.

3.4.3. The Financial Projection Phase

The marketing planner has to be aware of the financial implications of his activities as well as dispose of a financial orientation in the way he evaluates the marketing opportunities[134].

Budgeting is a very difficult task – Piercy has observed that exist multiple methods ranging from simple "rules of thumb" to complex computer methods[135]. But the bottom line for selecting any given marketing strategy over another is how that strategy will perform financially. Thompson advises to carry out a financial performance analysis for every alternative marketing mix[136]. The company has to make two basic decisions: to decide what levels of marketing expenditures will achieve its marketing objectives and how to divide the total budget among the various tools in the marketing mix[137].

3.4.4. The Negotiating and Compiling Phase

The final task of marketing planning is to summarize the salient findings from the market analyses, the strategic recommendations and the required marketing reports in a short report: the marketing plan. The resulting plan becomes a working document that will guide the campaigns taking place throughout the organization over the period of the plan[138]. The marketing plan is used as an aid to effective

134 see Bureau 1981, p.159
135 Piercy in: Kotler and Armstrong 1991, p.542
136 see Thompson 1999
137 see Kotler 2000, p.86
138 see Czinkota *et al*. 1997, p.113

management. The marketing plan must allow the management to answer the following three fundamental marketing questions[139]:

- Where is the company now?
- Where does it want to go?
- How might it get there?

The marketing plan is the crucial instrument for directing and coordinating the marketing effort[140]. A written marketing plan is the backcloth against which are operational decisions are taken on an on-going basis[141]. This document needs to be concise, yet complete in terms of presenting a summary of the marketplace and the business' position, explaining thoroughly the recommended strategy and containing the detail of the required marketing mix actions. The written plan will be a glean from the marketing planning activity. It must, therefore, be informative, to the point, while mapping out a clear set of marketing activities designed to satisfactorily implement the desired marketing strategy[142].

3.5. The Marketing Mix

It was shown that the marketing mix manifests the tactical details of the organization's strategy. The term marketing mix is used in the marketing literature to describe the rules and techniques of marketing[143]. It presents a set of controllable variables under a company's direct control. The variables can be combined in an almost infinite number of ways to achieve the organization's strategy[144]. According to O'Shaughnessey "every market has its own logic whereby excellence on one element of the mix"[145] and success will only be possible if all elements of the marketing mix have been properly managed[146]. The identification of the key factors

139 see Phillips *et al*. 1995, p.184
140 see Kotler 2000, p.65
141 see MacDonald 1992, p.87
142 see Dibb *et al*. 1997, p.7
143 see MacDonald 1989, p.6
144 see McNamee and McDonell 1995, p.20
145 O'Shaughnessey 1984, p.54
146 MacDonald 1989, p.8

in the marketing mix is fundamental when drawing up a marketing strategy since it means knowing what to emphasize[147].

A search of the available literature concerned with the marketing mix components reveals that there is a wide diversity on what elements compose the marketing mix. The origins of the concept lie in the work done by Borden at the Harvard Business School in the 1960s. He suggested twelve elements to be considered in formulating a marketing program. Over the years the list of marketing mix decisions has been simplified under four headings that became known as the "Four Ps" of Marketing: product, price, place and promotion.

In marketing literature there can be found varying models. Lazer and Kelly, who use a threefold classification, provide the classification of the marketing mix elements applied in this thesis[148]:

- The product and service mix
- The distribution mix
- The communication mix

3.5.1. The Product and Service Mix

The in chapter 2.3.1. elaborated characterization of the product software pursues the aim to provide a more technical perspective and classification. In this chapter a characterization will be worked out within the marketing context. It will make special reference to the important factors to high-tech products concerning the product and service mix.

Essentially, the product and service mix has to create a market-applicable product. Successful products are achieved through two sub goals: They have to be designed to meet the needs of the customer and dispose of a differential advantage over the competition[149]. "In the high-tech market the difficulty lies not so much in inventing and engineering new products, but in the application of the technology in a

147 see O'Shaughnessey 1984, p.54
148 see Lazer and Kelly 1962, p.413
149 see Bagozzi 1986, p.138

way that will result in market acceptance"[150]. Shanklin and Ryans Jr. state, "Complexity is the hallmark of high-tech products"[151]. In their opinion a frequent mistake is to underestimate the degree of completeness required by the market, as incomplete products are the reason for the majority of high-tech failures[152].

Applying the presented theory on the different dimensions of a product to software, the physical element of the product represents the device. More precisely, the software to be created by the organization.

Especially the intangible aspects of the Total Product are of high importance in the Product and Service Mix. The service aspect encompasses a wide array of services such as consulting, implementation, integration, training, support and maintenance. These services assure the organizational and technical adaptation of the software within the purchaser's environment[153]. The offered training services lead to a higher efficiency and effectiveness of the software, because with the training the users not only will be introduced to the handling of the software but will also have a positive attitude towards the new system[154].

Branding is a differential factor as the psychological aspect of the product[155]. The brand communicates certain subliminal factors representing the customer a guarantee of quality, value and product satisfaction[156]. Clients will draw conclusions from the perceived brand image on the quality of the product and services, which results in an emotional allegiance of the customer to a product[157]. The whole scope of the product software is presented in the following figure:

150 Field 1996, p.4
151 Shanklin and Ryans Jr. 1985, p.27
152 Shanklin and Ryans Jr. 1985, p.27
153 see Englert 1977, p.347
154 see Baaken 1993, pp.140
155 see Melville in: Field 1996, p.69
156 see Murphy 1990, p.8
157 see Young in: Field 1996, p.16

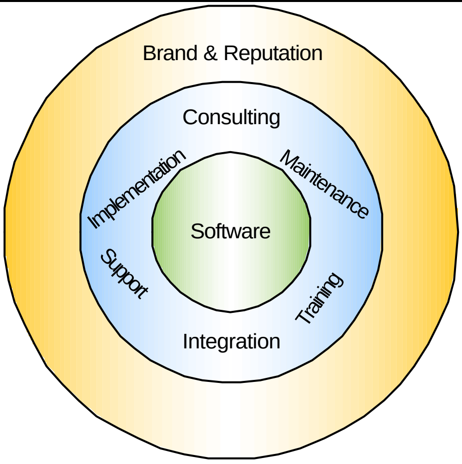

Figure 6: The Total Product Software

In the product and service mix the task of defining the price and conditions is included[158]. Without any doubt, price is a major determinant on the economic impact of the purchased product on the cost structure of the industrial buyer[159]. But to present the different methods of pricing would be beyond the scope of the thesis. This is alluded solely for the purpose of completeness; it will not be referred to any more in future chapters.

3.5.2. The Distribution Mix

Distribution is a powerful differentiator reflecting the importance of availability and reliability of supply as purchasing objectives for the industrial buyer. A microcomputer industry spokesman said that in the hardware and software industry "the success of any enterprise is directly related to the effectiveness of its distribution system"[160]. There are two major aspects to distribution, namely, the choice of intermediaries between manufactures and users, and the management of physical distribution.

The physical distribution, often referred to logistics[161], is "the process of strategically managing the movement and storage of materials, parts and finished

158 see Becker 1998, pp.488
159 see Webster 1991, p.190
160 Maher 1983, p.54
161 Webster 1991, p. 219

inventory from suppliers, through the firm and on to customers"[162]. The physical distribution of software products is merely important to the extent, as it only has to fulfill the on-time delivery to the purchaser. More important is the design of the distribution channels.

Distribution channels are sets of independent organizations involved in the process of making a product or service available for use or consumption[163]. Kotler lists two notable reasons for the importance of the choice of channel: (1) "the channels chosen intimately affect all the marketing decisions" and (2) "the channels decisions involve relatively long -term commitments to other firms"[164]. The approach can be direct: The company may use its own forces for selling and moving its products to the market[165]. If the company chooses to apply an indirect approach to the marketplace, the company "may move its products to a market via a network of intermediaries"[166]. The high-tech marketer has to ponder customer needs, relative costs, the desirability of maintaining some flexibility, timing, coverage of the intermediary, and efforts and benefits of each alternative. While the cost factor definitely influences the choice of channels, other considerations are certainly important for the industrial marketer. They include "customer needs, market coverage, effective sales support, delivery time, company reputation and inventory levels"[167].

When choosing the indirect approach to distribution, the marketer can choose from a variety of different alternatives. Potential alternatives for indirect distribution for standard application software are summarized in the thesis of Brockmann[168]. The author identifies five different groups for indirect distribution:

162 Christopher 1986, p.1
163 see Kotler and Armstrong 1991, p.359
164 Kotler 2000, p.490
165 see Meffert 1998, pp.596
166 Shanklin and Ryans Jr. 1985, p.153
167 Shanklin and Ryans Jr. 1985, p.153
168 Brockmann 1998, p.31

Software producers	who are characterized by the worldwide presence. This group also includes hardware producers, who offer the software as a complementary good parallel to their core business;
Software houses	follow the aim to produce and market software;
Management consultancies	can act as sales-intermediaries. While doing consultant work for their clients, they have to dispose of a deep knowledge of the actual offered software in the market;
User organizations	are the result of outsourcing and privatization activities of IT-divisions of big companies. For example, EDS proceeded from the General Motors Group and is now offering its own software solution;
Brokers	assume the business ranging from the intermediation to the final implementation.

3.5.3. The Communication Mix

Nowhere is the necessity for marketing expertise more evident than in the high-tech company's communication effort[169]. To be successful, customers must be both aware of the existence and performance of the company's product as well as informed about the offerings and persuaded of their relevance to their consumption needs[170]. This task is executed by the company's total communication program, which embodies a specific blend of advertising[171], sales promotion[172], public relations[173] and personal selling to achieve the desired communication effects[174].

169 Shanklin and Ryans Jr. 1985, p.121
170 Murray and O'Driscoll 1996, p.335
171 Advertising is the paid, public, non-personal announcement of a persuasive message by an identified sponsor; the non-personal presentation or promotion by a firm of its products to its existing and potential customers – Marketing dictionary 2000
172 Sales Promotion is a form of promotion which encourages customers to buy products by offering incentives, such as contests, coupons, sweepstakes, samples, free gifts and so on; one of the four major elements (with advertising, personal selling and publicity) of the promotion mix – Marketing dictionary 2000
173 Public Relations is the relationship which exists between an organisation and its several publics; efforts to influence this relationship by obtaining favourable publicity – Marketing dictionary 2000

This total view of a company's marketing communications has become to known as Integrated Marketing Communications (IMC).

The concept of IMC is defined as "the planning and execution of all types of advertising and promotion selected for a brand, service, or company, in order to meet a common set of communication objectives"[175]. IMC is realigning the company's communication program to provide clarity, consistency, and maximum communication impact[176]. The focus of IMC is not limited on customers only, but it includes in the definition of the target audience employees and stakeholders as well. The scope of marketing communications therefore encompasses both the internal information and the messages put across by the business to customers and other stakeholders[177]. In every instance, every contact has to be carefully planned in order to obtain a consistency with the desired objective of quality the company aims to project.

In business organizations, communication with customers, shareholders and employees is now regarded as a mayor resource, requiring careful management and adequate investment. Some of that communication is internal, involving the flow of information within the organization, both to provide information for decision-making and to maintain a focus among staff on what the organization is seeking to achieve. Without effective and managed internal communication, the activities of a business will become uncoordinated and will focused more on individual goals than on operational objectives. The majority business communication is external, and without effective external communication between a business and its customer, the benefits needed and wanted by the market will not be understood, leading to loss of market share, loss of profitability and loss of jobs[178].

To visualize this concept the following figure displays the communication media available with the messages to be transmitted to the target audience.

174 see Kotler and Armstrong 1991, pp.433
175 Percy 1997, p.2
176 see Caywood in: Moore and Thorson 1996, p.18
177 Duncan and Caywood in: Moore and Thorson 1996, p.19
178 see Griffin and Moorhead 1986, pp.254

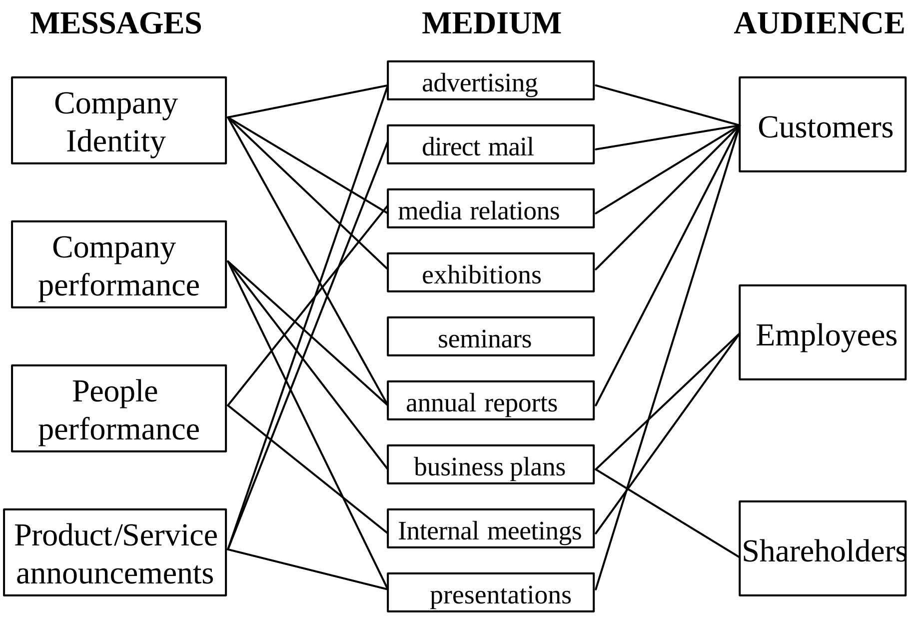

Figure 7: An Overview of the Communication Mix[179]

Consequently, the high-tech company follows two mayor communication routes in contacting its target market. With its sales force the company establishes personal contacts while through advertising, public relations and sales promotion it creates non-personal contacts[180].

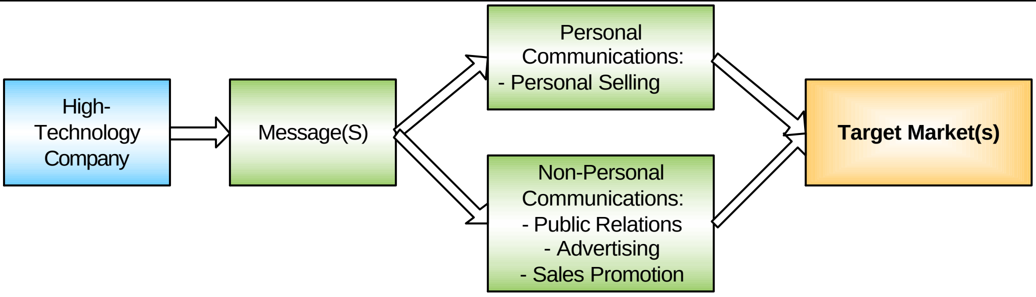

Figure 8: The Target Market Communication[181]

Due to the complexity of the product, there are a various communication processes needed to market software[182]. The personal selling is of vital importance as

[179] see Withnall in: Field 1996, p.48
[180] see Shanklin and Ryans Jr. 1985, p.121
[181] see Shanklin and Ryans Jr. 1985, p.126

offering customer tailored products requires a direct contact with the client. To match a product to its potential customers and make the sale itself, personal contacts will be needed[183]. Since high-tech are usually sold one-to-one, personal selling makes a difference in the competitive IT-Market[184].

In contrast to consumer goods marketing, the non-personal communication has a different emphasis. The purchase of a high-tech product is often a high-risk situation, therefore impulse buying is rare. Because of the complexity of information needed by the customer, high-tech products are never sold by advertising[185]. Therefore, the non-personal communication does serve the high-tech marketer to enhance the corporate image, reputation, and level of awareness in the market[186]. Advertising raises customer awareness and creates a desire to learn more about the product[187]. More precise, advertising establishes an awareness of the benefits of the product in the market, reinforces the reputation of the company and reassures buyers after the event of the buying decision. Public Relations reinforce these with influential sub-categories[188]. Generally speaking, advertising and Public Relations create and communicate some differences, which allows the company to establish a quality reputation in the market[189].

An approach was taken to subdivide the communication effort of a high-tech company into personal and non-personal communication. In this context it is important to outline that the two are closely intertwined. Both personal and non-personal communication efforts must be congruent in order to avoid confusion and inconsistency in the communication effort[190].

---

182 see Baaken 1993, p.155
183 Armitage in: Field 1996, pp.104
184 Davidow 1986, p.44
185 Davidow 1986, p.33
186 Shanklin and Ryans Jr. 1985, p.141
187 Davidow 1986, p.33
188 see Field, p.204
189 Davidow 1986, p.50
190 see Shanklin and Ryans Jr. 1985, p.125

3.6. Critical Success Factors to Software Marketing

It will be shown in this chapter, that the strategic planning process provides the basis for a company's success. Strategic planning with its systematic method of formulating, selecting and implementing business options enables the management to plan, organize and control its activities in order to achieve the company's objectives.

To make planning effective, it will be decisive to detect elements or determinants affecting the company's success and to develop from these factors proposals for the management. Such factors critical to organizational success are called Critical Success Factors (CSF). To quote Boynton and Zmud: "Critical Success Factors are those few things that must go well to success for a manager or an organization, and, therefore, they represent those managerial or enterprise areas that must be given special and continual attention to bring about high performance. CSFs include issues vital to an organization's current operating activities and to its future success"[191].

In the software marketing context, marketing success is defined by three interdependent factors: profit, sales and stability[192]. Profit reflects the monetary result of the marketing success. Sales present the market share of the software product. Stability stands for the probability that the software supplier survives in the market for a long run.

As a result of an empiric investigation Preiß identified eight Critical Success Factors for software marketing[193].

Quality of product	Stands for the reliability, capacity and user-friendliness of the software;
Flexibility of the product	Is determined by the capability of expansion, maintainability and portability of the software;

[191] Boynton and Zmud 1984, pp.17
[192] see Neugebauer 1986, p.88
[193] Preiß 1992, p.163

Functionality	Reflects the degree of congruence between the offered solution to the problem of the user;
Documentation	To achieve a high performance, a complete and clear documentation of the software is needed;
Price	Determines the volume of investment of a company;
Workforce of supplier	The purchase decision of a company is influenced by the performance of the supplier's workforce. The performance of the workforce can give a purchasing company insight on the competence of the supplier organization with its products
Image of supplier	As the application of the software requires a close collaboration with the supplier, a company is looking for a reliable capable partner;
Service offering	Embodies all remunerable and free services of the supplier.

4. Buying Behavior

The effectiveness of marketing management does not depend solely on being able to offer competitive ranges of products and services. Rather, knowledge of the many influences, which affect buying preferences, is fundamental for success, too. Webster observed, “Buying is the other side of the industrial marketing coin. As marketers seek customers, so buyers seek vendors”[194].

Understanding buyer behavior plays an important part in planning marketing strategy – marketers must identify behavioral characteristics and decision-making processes, and develop strategies to deal with them[195].

4.1. Organizational Buying Behavior

When discussing buying behavior it is advisable to distinguish between individual from organizational buyers because “the buying characteristics of the organizational market differ from those of the consumer market”[196]. Consumer buying behavior consists of the decision processes and acts of individuals involved in buying products. In contrast, organizational buying behavior represents the purchase behavior of other producers and resellers, governments units and institutions[197].

This point is reflected in Webster and Wind’s definition of organizational buying – to them it is “the decision making process by which formal organizations establish the need for purchased products and services, and identify, evaluate, and choose among alternative brands and suppliers”[198]. In contrast, Chisnall states that generalizations about buying behavior - industrial or consumer - appear to be unwise[199]. Nevertheless, both experience and research have demonstrated that patterns of similarity do exist in the ways organizational buyers approach the task of buying.

194 Webster 1991, p.23
195 see McNamee and McDonell 1995, p.39
196 Lindgren Jr. and Shimp 1995, p.147
197 see Dibb *et al.* 1997, p.40
198 Webster and Wind 1972, p.2
199 see Chisnall 1989, p.78

It has been stated that purchasing decisions are dynamic and based on multiple factors[200]. The buying of software affects various organizational fields within a company and has to acknowledge the different demands and requirements of each department involved in the buying decision. This renders the buying process complex and multi-personal, to the effect that the buying decision process spans various phases. While analyzing patterns of organizational buying, two main parts of the buying activity should be focused on[201]:

- The buying center; and
- The buying decision process.

Consequently, it will not be the purpose of the chapter to present a comprehensive review of buying behavior as this goes far beyond the scope of the ensuing section. Rather, an approach will be taken that selects samples of ideas from the literature that can guide marketing management in the structure of its analyses. Thus, analyses may yield better results and lead to better decisions.

4.2. The Buying Center

A major characteristic of organizational buying is that it is a group activity, and only rarely does a single individual within the organization have solely responsible for making all the decisions involved in the buying process. Instead, a number of persons different in personality, motive for buying, status within the organization, and visibility to the salesperson are involved either directly or indirectly in the process[202]. These individuals provide different expertise needed to make purchases by creating a so-called buying center[203]. Webster and Wind's definition of the buying center is most widely known and used - they have referred to the group of people involved in the buying process both as the decision-making unit (DMU) of an organization and as the buying center. They define the buying center as "all those individuals and groups who participate in the purchasing decision-process, who share common goals and risks arising from the decision"[204].

200 see Chisnall 1991, p.69
201 see Kotler 1999, p.282
202 see Wotruba and Simpson 1989, p.236
203 see Lindgren Jr. and Shimp 1995, p.147
204 Webster and Wind 1972, p.6

To Kotler and Sander, the buying center is not a steady or formally characterized unit within the buying organization. It is a set of buying roles assumed by different people for different purchases[205] in which an employee can play more than one role[206]. The influence of the individual members[207] as well as the size and make up of the buying center will vary for different products and different buying situations[208].

Without a doubt, the size, structure and formality of the buying center obviously vary depending both upon the size of the organization and the product decision involved, an approach can be taken to analyzing the buying center on the basis of its participants' roles. To create what has been termed the buying center, the following roles have been identified[209]:

Users:	People who will use the product or service. They initiate in many cases the buying process and help define the purchase specifications.
Influencers:	People who influence in the buying decision. They again help to define the specification, but who also provide inputs to the process of evaluating the alternatives available. Technical personnel are particularly important influencers.
Deciders:	People who are responsible for deciding on product requirements and suppliers.
Buyers:	People who are the formally authorized to select suppliers and negotiate purchase terms. Buyers may help shape product specifications, but their major role is in negotiating in addition to selecting vendors. In more complex purchases, high-level managers participate in the negotiations.

205 see Kotler 1999, p.285
206 see Lindgren Jr. and Shimp 1995, p.148
207 see Chisnall 1991, p.75
208 see Kotler 1999, p.285
209 see Webster and Wind 1972, pp.77

Gatekeepers:	People who have the power to prevent sellers or information from reaching members of the buying center. Gatekeepers can be as diverse as purchasing agents, receptionists or telephone operators.

Turning to the buying process of software, the buying center is represented by a project team. The project team is a temporary task force to fulfill a special task and consists of people of different departments and organizational levels. Its inter-departmental nature gives the project team the opportunity to take into account all demands and requirements of the people affected by the purchase as well as reducing the risk of an inadequate purchase[210]. Applying the model of Webster and Wind, the following characters become apparent in the of the software purchasing process:

Users:	Any user of the department affected by the purchase.
Influencers:	Any member of the buying center.
Deciders:	Board of directors.
Buyers:	Members of the purchasing department.
Gatekeepers:	Receptionists, telephone operators, or purchasing agents.

"The buying center concept presents a significant marketing challenge"[211]. To design a successful marketing strategy, Kotler and Sanders advise to business marketers to identify the participants of the buying center and analyze their relative contributions and evaluate their criteria to the decision[212]. The more insight a company can obtain of the buying procedures of an organization, the more effective marketing programs can be developed[213].

210 see Frank 1980, p.152
211 Kotler and Armstrong, 1991, p.177
212 see Kotler 1999, p.286
213 see Mahin 1991, p.106

4.3. The Buying Decision Process

Buying organizations face several of decisions when making a purchase. In order to get a clear understanding of decision process first the main types of buying behavior have to be analyzed first as the number of decisions depends on the type of buying situations[214]. As buying decisions become more complex, the time needed to come to a purchase decision and the number of people involved expands, as do the buying criteria of the purchase organization and the information required by the decision makers[215].

Organizations purchase a variety of products and services. But rather than elaborating on the different categories of products and services, most work has been on the general type of purchase situations the organizational buyer faces. In the last decades the majority of the research on the nature of industrial buying process has made use of a categorization first proposed in 1967 by Robinson, Faris and Wind[216]. There are, they suggested, three distinct buying situations or buy classes, each which a different behavioral pattern on the part of the supplier. They are the (*1) straight rebuy*, the *(2) modified rebuy*, and the *(3) new task*. Each buying situation is characterized by different buying center makeups and complexion of the buying process[217]. Typically, several people will be involved in the decision when the costs are high. The strategist's task is therefore complicated, as he has not only to identify buying participants but also their particular concerns[218].

In a *straight rebuy*, the buyer routinely reorders an existing product from a present supplier without any modification[219]. The implications of this sort of buying situation are straightforward and require comparatively little activity in some of the buying processes such as devising product specifications and analyzing proposals. "The straight rebuy will normally involve fewer participants since the transaction is routine"[220].

214 see Kotler 1999, p.283
215 see Webster 1991, p.30
216 Robinson, Faris and Wind, 1967
217 see Wotruba and Simpson 1989, p.239
218 see Chisnall 1989, p.72
219 see Bagozzi 1986, p. 128
220 Wotruba and Simpson 1989, p.239

The second type of buying situation - the *modified rebuy* - often represents an extension of the straight rebuy and occurs when the buyer repeats a prior purchase and modifies the specifications, price and delivery terms of the transaction[221]. The modified rebuy usually involves more decision participants than the straight rebuy. The need for information increases, and so does the complexity of the buying center[222].

The *new task* represents the third type of buying situation. It the most radical of the three and provides the marketing strategist with a series of opportunities and challenges when the company purchases a product or service for the first time[223]. The buyer typically approaches the new task with a set of criteria which have to be satisfied, and in which order to do will frequently consider a number of possible suppliers each of whom is then faced with the task of convincing the buyer that his product or service will outperform or be more cost-effective than the others. A new task purchase involves greater risk and cost for the company, and therefore will demand research and negotiations involving more people in the buying organization[224].

Having presented the three different buying situations, the next step will focus on the organizational buying process. A central theme in models of organizational buying behavior is the belief that customers proceed through a series of steps before arriving at a decision to purchase. "The organizational buying process consists of a number of distinguishable steps, each involving separate activities and decisions"[225]. An analytical understanding of the buying decision process is fundamental to Marketing in developing a sales strategy. Such a process determines the target for the company's sales efforts as well as the steps through which it has to reply to the buyer's information needs[226].

Turning to the buying of software, the process is related to varying activities and decisions which make it difficult to break down the buying process into individual steps[227]. Keller reports an attempt to divide the buying process into three

221 see Kotler and Armstrong 1991, p.174
222 see Naumann, Lincoln, McWilliams in: Industrial Marketing Management, May 1984, p.115
223 see Kotler 1999, p.283
224 see Wotruba and Simpson1989, p.240
225 Wotruba and Simpson 1989, p.237
226 see Webster 1991, p.29
227 see Frank 1980, p.146

temporally defined project phases[228]. The final purchase decision is the result of a thorough pondering of the quantum of alternatives with attention to various internal criteria[229]. The decision-making process can be split up in a first selection, pre-selection, and final selection phase:

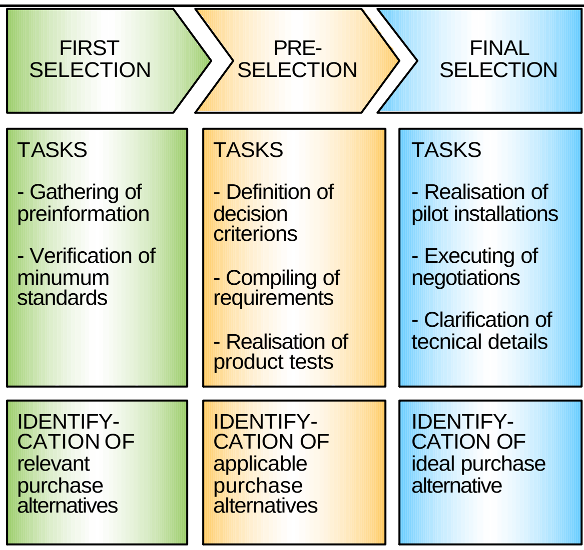

Figure 9: The Phases of the Buying Process

The first selection phase is consists of gathering of preinformation, mostly through neutral sources, which are then verified by using minimum standards of the organization. The aim of this phase is to identify relevant applicable purchase alternatives.

In the pre-selection phase a pondering process of the previously identified alternatives takes place. By defining decision criterions, compiling of requirements, and conducting of product tests, the company seeks to identify applicable purchase alternatives.

During the final selection phase, the previously applicable purchase alternatives are analyzed in greater detail. Main tasks of this phase are to initiate the realization of pilot installations and clarify technical details. After having negotiated with suppliers of the remaining alternatives, the company will be able to identify the optimum product with regards to its requirements.

228 see Keller 1993, p.60
229 see Frank 1980, p.17

5 Practical Recommendations

5.1. Financial Industry Trends

The Financial Industry sector is subject to fundamental reconstruction. During the 2nd International Analyst Workshop Retail and Private Banking in Kronberg (Germany) Dr. von Maltzan stated that the emergence of new delivery channels is changing the whole sector[230]. With as many as five channels to choose from - namely branch, telephone, Internet, television and mobile phones – the customer becomes more and more important and demanding. The new channels have revolutionized traditional banking; as with the technology new players are able to offer financial services, thus challenge traditional players in the market. The emergence of new competitors coupled with the fact that more customers are taking control of the market requires the traditional players to thoroughly rethink their way of doing business. A widespread implementation of IT-Technology throughout the Financial Industry can be observed as IT has been identified as the key enabler of change and valuable source of competitiveness.

Without a doubt, the Internet in particular has driven competition in banking to new levels[231]. The implementation of web-technologies generates various business benefits such as access to global markets and economies in the supply chain as well as enhanced speed and efficiency in communication of all types[232]. To Patrick de Jacquelot, the introduction of the Internet as a new delivery channel is opening up unimagined possibilities in terms of cost reductions, creation of new services, and the personalization of client relations. This technology will enable banks to achieve a significant fall in the cost of their operation[233].

230 see von Maltzan 1999
231 see Kappler 2000
232 seeBuckle 2000
233 see de Jaquelot 1999

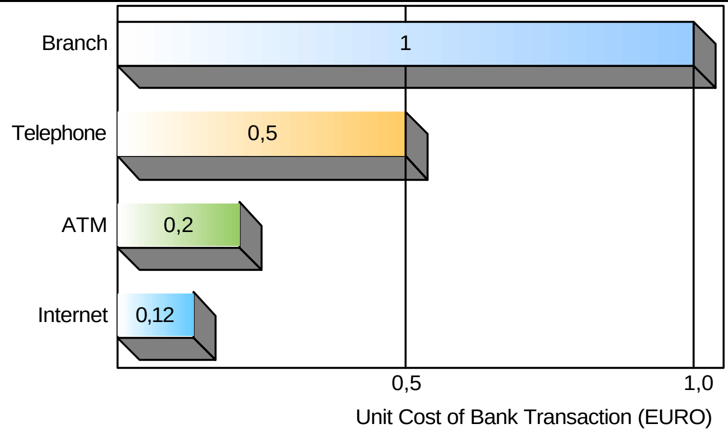

Figure 10: The Cost of Bank Transaction by media available [234]

According to the consultants Booz Allen & Hamilton, the unit cost of a banking transaction is one euro in a branch, 0.5 euros by telephone, 0.25 euros at an Automatic Teller Machine (ATM) and only 0.12 euros via an internet site. This is largely because of the very low fixed costs associated with this new type of transaction. In addition, the investment required by a bank to set up an Internet site, and accompanying maintenance costs, are much lower than for opening a new bank branch[235].

The Internet with its speed and connectivity gives banks the opportunity to establish proximity to the customer and to personalize banking products and services, without requiring the bank to meet any client face to face[236]. As market research proves, customers seem to share the banks' passion for the internet: Datamonitor estimates that the number of internet banking customers in Europe will grow by 30% in the next five years, reaching 21 million at the end of 2004[237].

Even though the Internet has great potential benefits for existing banks, it also poses potential dangers to them. This is based on the fact that new competitors can penetrate the market more easily with the existence of the Internet than without it. As an illustration, Power cited a dramatic change in the general electronic commerce climate of Europe as Internet banking has increased dramatically in 1999 with more

234 see de Jaquelot 1999
235 see de Jaquelot 1999
236 see de Jaquelot 1999
237 see Kappler 2000

than 1.200 European financial institutions offering Internet banking[238]. The consumers now have an unprecedented freedom of choice - the result is the emergence of a completely new phenomenon in banking: the concept of ‘‘shopping around’’[239]. Whereas clients were previously locked into an exclusive relationship with their bank, it will now be possible due to the transparency of information to compare and play the competition off against each other. This phenomenon was already apparent in stock exchange transactions, where the Internet imposed a sharp fall in commissions.

Generally speaking, with competition increasing and products becoming commoditized, it will be the task for Financial Market players to make substantial efforts to restructure operations to offer global services, products and cost efficiency. To do so, restructuring is the key. In the Merrill Lynch’s Report on ‘‘E-banking in Europe’’ it was the stated that both established bank and Internet bank models are likely to converge towards the ‘‘nirvana of click & mortar’’[240]. In the opinion of the analysts, the bank of the future has to offer top customer service at the best price. The first bank to reach that status will be the winner in the race for dominance in the global market.

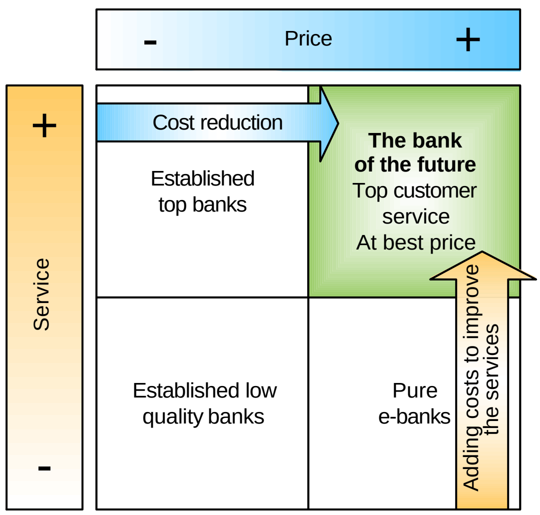

Figure 11: The Convergence of the Banking Sector

238 see Power 1999
239 see Mackintosh 2000
240 see Merrill Lynch 1999

Established banks offer a good service and relationship banking, but they fail to deliver good prices due to the large cost base that they need to offer these services. The Internet should allow established banks to re-engineer their processes, transaction and the interactions with customers to reduce their cost base.

Pure e-banks, for their part, will have to evolve to become something more than niche players. To start with they will need to acquire a larger critical mass of customers in order to have access to technology and marketing economies of scale. Moreover, to reach a sufficiently high number of clients they will have to enter relationship banking.

5.2. IT Industry Trends

As seen in the previous section, Information Technology is increasingly used to deliver a competitive advantage within the banking sector. It has also been identified as a key enabler of change and a valuable source of competitiveness. The key words in this highly competitive era are access to information, speed and convenience. Various operational excellences are then becoming a survival necessity for the state-of-the-art information technology. To present every single trend in a detailed way would be beyond the scope of this thesis, but with regard to the importance of technology in banking nowadays it is important to outline shortly the main ones[241]:

Data warehousing/ data mining: Facilitates the information needs, multi-dimensional views and business analysis by creating knowledge leading to well informed decisions;

Implementing of Call Centers: Call centers are serving as internal help desks and external business support to facilitate the aspects of a virtual bank concept;

Component Based Development: Based on the Object Orientated Paradigm, the Component Based Development promises to deliver software solutions faster, better and cheaper. Advantages of the usage of such a

	method are the meeting the market goals, reducing the failures, and reducing the cost of development and maintenance;
Enhanced Security:	As every customer becomes a potential user of all systems, cost effective security administration (e.g. internet authentication-based on biometrics or voice recognition) is required;
CRM systems:	Paying tribute to the extended client focus Customer Relationship Management systems support better cross-sell ratios, longer customer retention, and customer satisfaction;
Knowledge management:	Knowledge Management can be described as the collection of processes that govern the creation, dissemination, and utilization of knowledge throughout the enterprise;
Thin Clients computer:	These installations will reduce complexity of mass software distribution to clients as applications are loaded on request;
Architecture based development:	Brings order and structure in the system engineering process by avoiding redundancy and enforcing reusability;
24 x 7 availability:	Supports Internet and global banking strategies. Typically current applications systems are not geared to operating in a round the clock operation.

[241] see Private Banking IT Strategy Workshop 1999

5.3. Actual Market Situation for Banking Solution Software

As presented in the anterior chapter, Information technology is becoming more and more important in the Private Banking sector nowadays. IT is to become a key enabler for the business growth in Private Banking and a differentiation factor with competition. Banks are becoming aware of the fact that not acting in alignment with the external drivers of change may deteriorate their competitive position within the market.

As a result of the market developments, a whole new market for system packages to meet the requirements of Private Banking business has emerged. To IT-solution providers, the market shows an attractive growth rate. Especially the markets of Western Europe, Latin America and Central European Countries stand out for their high market potential.

Region	1999	2000	2001	2002	2003	2004	2005
Western Europe	**232.8**	**283.4**	**329.3**	**371.0**	**428.5**	**475.3**	**555.5**
Austria/Germany/CH	64.9	76.9	82.9	99.8	127.8	148.2	177.1
France/Benelux	51.3	62.8	85.0	92.8	102.7	109.9	128.6
Scandinavia	16.2	23.5	26.3	28.5	30.2	33.3	38.6
Italy	27.2	34.2	42.5	46.9	50.1	54.5	63.3
Spain/Portugal	41.2	46.5	47.9	49.2	51.1	53.4	56.9
Grece	3.3	4.0	4.6	5.2	6.0	6.6	7.8
UK/Ireland	28.7	35.7	40.3	48.7	60.6	69.3	83.2
LatinAmerica	**54.0**	**66.0**	**77.7**	**88.5**	**103.4**	**116.0**	**137.2**
CEC	**22.9**	**27.9**	**32.9**	**37.5**	**43.8**	**49.2**	**58.5**

Table 3:The Market Potential in Mio. €[242]

Speaking in general terms, the global market will grow to more than double within the next 5 years. This implicates for dbsci a rapid implementation of an efficient organizational marketing structure in order to not only establish itself but also become a competitive player in this highly beneficially market.

[242] Dbsci strategy 2000, 2000. Numbers are dbsci estimates.

5.4. Presentation of Product PLAZA

To be able to elaborate recommendations for concrete marketing activities, an understanding of the product with its functionalities is fundamental. This section will highlight the some characteristics of the entire PLAZA solution offering which are relevant to the formulating of a marketing paradigm.

PLAZA is the direct response of dbsci to the Financial Industry and IT trends. It is a Core Banking Solution offering a system package designed to meet the requirements of international retail and private banking business and to improve time to market delivery.

It is a modular solution that could be adapted to the business model of any bank covering all mayor platforms and languages. This is the basis for seamless integration of classical transactional IT with new state-of-the-art enabling technologies. PLAZA is offering a complete set of functionality: *Access solutions for Multichannel distribution* are offered through front end solutions for all existing distribution and access channels by connection to all transactional backend allowing real-time transactions. Additionally, *process solutions* are offered for all tasks of banking with the integrated systems: Customer Data, Current Account, Brokerage and Settlement, Credit Cycle, Liquidity Management and Pooling, Payment, Marketing including Customer Relationship Management, Data warehousing and Data mining, Customer Statements, Treasury, and Accounting Layer Applications. The full potential of the solution package with its individual functionalities is displayed by the following figure:

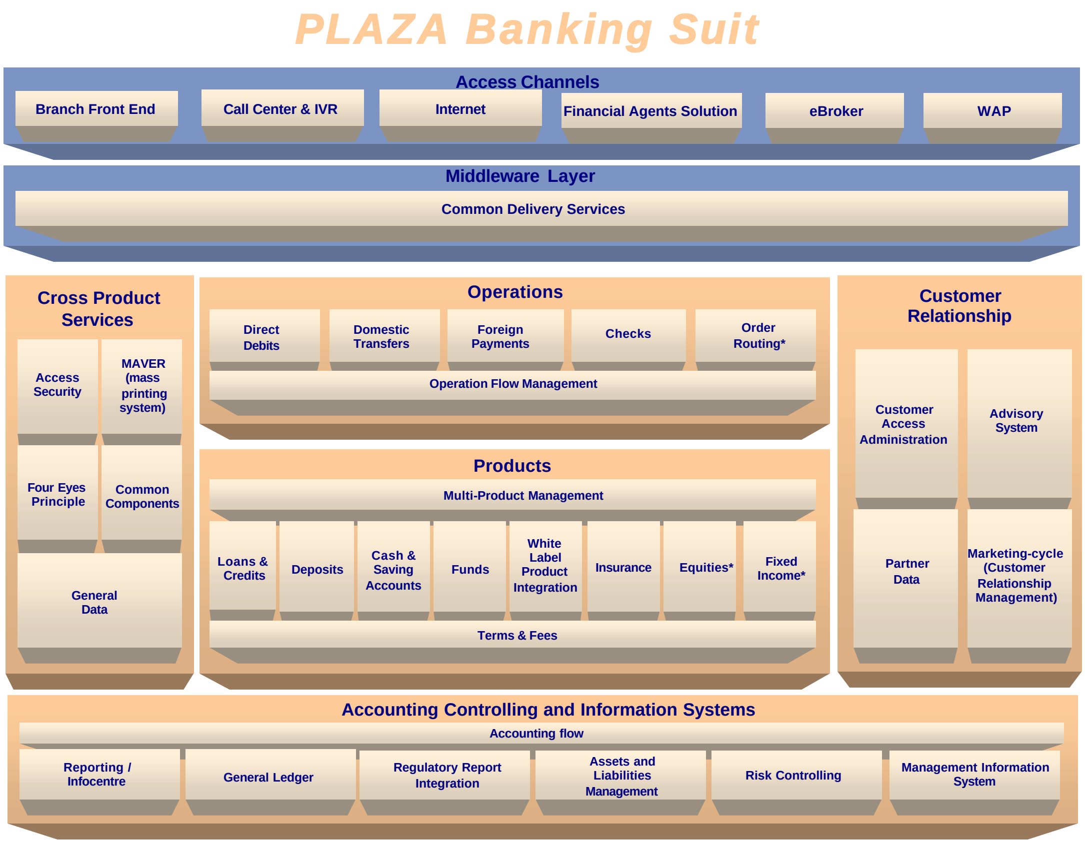

Figure 12: The PLAZA Solution

With respect to its modularity, each component is integrated with others. Standard designs and interfaces are built and provide the product with a flexible and scaleable architecture. Key enabler is the Middleware Layer, called the Common Delivery Systems. The Common Delivery Systems enables that each PLAZA component can be easily integrated in an existing application map to allow:

- Create a new activity in an existing bank, using existing accounting and information systems
- Create a new product for existing clients, using existing products and customer base systems
- Create new access or distribution channels for existing products
- Support a customer retention strategy through the integration of a Customer Relationship Management System with existing systems.

5.5. Recommendations for Marketing Activities

5.5.1. Recommendations for the Product and Service Mix

It was stated that the basis for a successful market offering is a competitive device, which then has to be augmented with intangible factors to create a complete product. Therefore, the first emphasis of dbsci should be on the product & service mix to design a high-quality device. Quality, Flexibility, and Functionality have been identified as Critical Success Factors for software marketing. These factors are necessary to reach a competitive situation within the market.

It has been shown that there is more to a product than such the device itself. Having a good product is no excuse for dbsci to forget about the basic requirements of a product. Product failure is not only the result of technical deficiencies, but also of inadequate documentation and insufficient service offerings. A product will only establish itself in the market if it is “truly” complete, i.e. if it combines the intangible with the tangible qualities. This presents the marketing division within the dbsci organization with the task of ensuring that products are complete and remain complete. The marketing division will be challenged with a regular revision of every dimension of the product.

The services offered to the customer have been identified as another Critical Success Factor. In essence, the services provide the prerequisites for the smooth organizational and technical adaptation of the software to a customer’s environment. Dbsci has to be aware of the fact that the quality of the services can distinguish it from its competitors. It will be crucial to implement a service infrastructure and service standards to provide so guidance to both customers and clients.

Externally, a clearly defined service structure serves as a quality reference and creates clients’ trust in the competitiveness of dbsci. But to be considered a competent solution-provider, it will be important to establish a corporate culture that performs value services. Corporate culture establishes the way of how a company is perceived in the market. Consequently, marketing has to turn the corporate image into a brand position, which is relevant to the service needs of the customers.

Internally, in order to provide value services to external clients a special focus has to put be on dbsci's staff. The task for the marketing department will be to establish a mentality for a customer-orientation to external clients. As dbsci is about to penetrate the external market and thus to sell its products to demanding, non-Deutsche Bank Group clients, the marketing division of dbsci has to create awareness among its staff about the importance of the services and their contribution to success in the external market. Successful products include high-quality services, and employees are part of that offered services, too. Each contact with external clients just like a simple telephone call has an effect on the external perception of the company and therefore determines the success in the market. Backed up with the service infrastructure and standards, dbsci employees must believe in the importance of services and must place a high-priority on offering it to the external market. The motivation, professionalism, behavior and appearance of the employees are part of the product and provoke a perception on the service capability.

Establishing this mentality among employees as well as managing their behavior congruent to the quality service standards will be a major task for marketing within the dbsci organization. Due to the increasing focus on a service orientation, such service standards are becoming a determinant differentiatial factor to competition for dbsci.

5.5.2. Recommendations for the Distribution Mix

The identification of appropriate distribution channels should be the main focus for distribution. Distribution of products to the external market is a new field of business activity beyond of its area of core competence to dbsci. For this reason, the dbsci management has to decide on whether to take an indirect approach to distribution, namely the cooperation with experienced and established distributors or the direct distribution approach in order to make distribution more efficient and ease the penetration of the market.

Volatile market conditions and reduced cycles of innovation within the software industry require a contemporary form of marketing. The dbsci organization has not yet implemented a necessary service infrastructure for a successful distribution; therefore dbsci should opt for an indirect distribution approach. In contrast to the case of a direct approach, the indirect approach represents to dbsci a minor financial investment. Distribution partners will assume some of the marketing and sales function, which will make it easier for dbsci to continue to focus on its core competencies. To guarantee successful distribution, it will be fundamental to identify distributors that offer real advantages to dbsci.

Presently, dbsci is speaking and negotiating with several commercial distributors, but only distributors with excellent knowledge about customers and better contacts with potential customers can be of benefit for dbsci. Since PLAZA is a solution tailored to the needs of the Financial Industry sector, potential distributors should be specialized within that industry. Additionally, the potential partners should possess a financial basis, which secures to dbsci a smooth distribution. IT Service Companies and Consultancies in particular have the necessary service infrastructure and possess good connections within the targeted market. Aided by their good reputation and closeness to the customer, these organizations will be able to distribute such a complex product like PLAZA quite easily. Since the product can be easily integrated into any kind of environment, no technical problems are likely to arise for distributors. These partnerships will allow dbsci a fast market entry, first-hand market insight, client and partner references and a geographically extended delivery and sales capability. However, a good distribution system will require a coordination of the partner's activities by a constant, mutual information-flow as well as the integration of partners' and dbsci business processes in order to create a win-win situation for the parties involved in the process.

In any case dbsci should not lose out of sight the possibility of a direct distribution. Closely connected to the recognized and well-known Deutsche Bank Group and counting on the various personal contacts of dbsci management within the Financial Industry sector, which could facilitate future sales, the direct approach could be of importance in the medium and long run. But to do so, dbsci will have to employ a special sales force and implement the necessary service infrastructure.

5.5.3. Recommendations for the Communication Mix

Applying the theory of chapter 3.5.3 to dbsci, the company is able to achieve with the activities of the communication mix dbsci two main goals. The task for dbsci has to be to establish an awareness for dbsci with its products as a high quality brand top-of mind for customers and to design concrete, product-focused activities in order to reach a high market acceptance for PLAZA.

Dbsci as a new player in the market for financial solutions still isn’t known to some parts of the market which implies for the marketing division to concentrate first on improving the corporation’s image, reputation, and level of awareness in the market. Separated from the operational, day-to-day operational communication program, corporate advertising has to educate the market about dbsci’s business direction and products make special reference to its ability to provide high-quality financial solution. It will be decisive for future sales to “establish” first the products in the market before starting with product-focused marketing activities.

Before making decisions on how to reach the target market, the dbsci marketing division has to determine the nature of information to be sent out. It was stated in Chapter 2 that approach of business-to-business marketing is different from consumer marketing. Dbsci has to understand that for businesspeople buying is a part of their job responsibility. Also, as professionals, most businesspeople are highly knowledgeable as buyers, and therefore simplistic consumer appeals do not work. Dbsci must to communicate with business buyers using a language that reflects their level of sophistication and technical knowledge. Therefore, dbsci information should be clear and concise, but not simplistic. The business buyer is often fairly sophisticated when it comes to the product or service you are trying to sell them. They typically have a high interest in, and understanding of, the product. So the business prospect does not respond to sloganeering or oversimplification. Dbsci has to communicate with them on a peer-to-peer level – to gain trust, establish credibility, and prove that dbsci is knowledgeable enough about their situation to be a real help to the customers. All information transmitted should be factual and present sufficient detail about the product to enable the business buyer to make an informed, intelligent buying decision. Instead of emphasizing features like product specifications and limitations, dbsci should stress the main benefits of its product PLAZA.

In the Financial Market, banks have gotten aware of the fact that the necessary restructuring of the business can only be realized by implementing software that help them stay profitable, competitive, and successful. The proof of this is the existence of purchasing agents, which have to be convinced by dbsci's marketing communication efforts. To get the attention of the purchasing manager, dbsci has to design a special strategy for the information. As stated, all information should be as concise as possible. But this doesn't mean copy should be short; rather it means copy should tell the complete story in the fewest words possible. Being concise does not necessarily mean limiting the text to a few superficial paragraphs. It means getting to the point and not wasting the reader's time by saying in three paragraphs what could be said in one sentence. With the PLAZA product, there is an overwhelming amount of information that could be conveyed. So the challenge for dbsci becomes one of selectivity: the most essential sales points have to be identified and communicated clearly to the customers. The business buyer will read copy – if it is interesting, relevant, and contributes to helping them make an informed decision about the purchase.

To build the basis for efficient marketing communication, the unique and leverageable competencies as well as the unique characteristics associated with the product have to be formulated. Clear messages have to be communicated to the market of how the product will generate economic value to the customer. Based on the in chapter 5.4. presented product characteristics, the some convincing sales arguments can be identified. The marketing communication should focus on the fact that the presented product is a future proof solution, which relies on an open and flexible technology and represents a customer-centric model integrated along the business process. The presented solution is characterized for its benefits like

- Easy adaptation to new distribution and access channels;
- Rapid country adoption for its multi-country, multi-language, multi-entity and multi-divisional capabilities;
- Low operating costs allowing centralized support and maintenance;
- Straight Through Processing;

- Functional scalability; and
- Flexible and scaleable architecture.

Because the banks are looking to buy, dbsci marketing can and should be more direct and to the point. Dbsci has to talk about the product and what it can do for the buyer. It is not necessary to resort to the far-out creative approaches and entertainment orientated techniques consumer marketers use to engage the consumer's attention.

Chapter 4 presented the characteristics of buying behavior and it was shown that the purchase of business products is a multi-step process. Buying of software involves what can be described with "considered purchase", meaning the buying process carefully considers the product, the competition, and the price before making a buying decision. To be successful, dbsci marketing communication must ardes the needs of all parties involved in the purchase decision and respects the characteristics of each phase of the buying process.

The marketing division should carefully plan the *First Selection Phase* because only in this phase dbsci has the chance to demonstrate its competence to potential clients as having a relevant purchasing alternative to the client's need.

During the *Pre-Selection Phase* further information is needed. The task of the marketing division is to facilitate the adequate information to the potential client.

The *Final Selection Phase* should be tailored exactly to the resting, specific information needs of the potential clients, as during this phase the final purchase decision by the client will be made.

In the course of the thesis it was shown that personal selling is of crucial importance as offering tailored products demand a direct contact with the client. Given this fact, dbsci should be concerned with the quality and education of its sales force. In order to establish an effective and successful communication with its clients, dbsci has to provide both product- or process-orientated and sales-orientated training to its staff.

Turning to non-personal communication, chapter 3.5.3 has summarized the media available to dbsci. High-tech marketing usually has to be concerned with a number of medias, but to establish dbsci top-of-mind for customers in the market, some extremely valuable medias can be identified.

To establish media relations with specific industry publications like magazines and journals offers to dbsci the greatest possible access to the target market. Not only product and service announcements can be effectively transmitted, but also such publications help to establish dbsci as a brand in the market. With continuing appearance and advertising in such specific publications, a broad awareness for both PLAZA and the company itself can be created.

Other media also offers striking potential to the dbsci marketing department. For instance, the participation in exhibitions and tradeshows will be crucial for dbsci marketing. Participation in such events provides an important place for identifying potential customers, learning about the competition and reinforcing current client relations. Due to the great importance, participations have to be well planned and organized. Additionally, dbsci has to establish priorities for participations, as events have to be selected which come closest to matching with dbsci's target audience.

By any means, dbsci has to show presence in any event potential customers might participate in. It's like Shackling and Ryan's have put it – "Token participation might not be preferable to no participation at all, since any participation reflects on the company's image"[243].

However, over all the efforts to communicate with the external market disco has not to lose out of sight the internal communication with its staff. The internal communication is a mean to keep the staff aligned and informed about important changes of the company. Newsletter or regularly information meetings present valuable medias to do so. Without an informed and integrated staff no successful communication will be reached.

[243] Shanklin and Ryans Jr. 1985, p. 141

6 Summary and Outlook

The objective of the presented thesis “Marketing Plans for Software Products – Best-Practices and Blue-Prints based on the Spanish Wholesale Banking Solution PLAZA” has been to define a theoretical marketing paradigm for the dbsci organization resulting in a useful framework for practical work. The applied approach of the thesis was mainly theoretical, as the focus has been put on what to do to define such a marketing paradigm, rather than how to do it.

To provide a theoretical starting point to further explanations, the concept of the Total Product has been presented in the second chapter. It was shown that the product consists of different dimensions and that only complete product offerings will succeed in the market. Marketing is a mean to create complete products – it will be decisive for dbsci to differentiate their products from competition by designing intangibles attributes to the market offering. This will turn the offered software into a complete product with perceived advantages and benefits over competition.

In order to provide a theoretical framework for software marketing, the third chapter has introduced the concept of marketing to later define the context of it in the overall business strategy. A definition of marketing strategy as well as of the strategic marketing planning process was provided which resulted in the presentation of activities related to the marketing mix. To complete the picture, the chapter has given an overview of the Critical Success Factors to Software Marketing.

The fourth chapter rounds off the theoretical framework needed to elaborate a successful marketing plan by analyzing organizational buying behavior. It was shown that without a clear understanding of the buying behavior with its behavioral characteristics and decision-making processes a successful marketing plan couldn’t be formulated. The understanding of these processes will be fundamental to dbsci in developing a successful sales strategy.

The fifth chapter embodies the practical application of the presented theory at the example of the product PLAZA in order to give practical recommendations for concrete marketing activities for the dbsci organization. In the first place, present Financial Industry and IT trends as well as the market situation of the product

PLAZA have been presented. The definition of the characteristics of the product helped to determine convincing sales arguments and provided a basis for concrete marketing activities for the product PLAZA.

With regards to establish a firm market presence for its product, the dbsci organization has to understand the whole scope of the marketing concept and integrate it fully in its organizational structure. Only a correct understanding of the presented marketing techniques will enable dbsci to reach its target market and provide first class customer service. The thesis has tried to establish awareness that planning is the prerequisite of success. The purpose of planning is to make success more probable by providing direction for the practical marketing activities in order to meet the needs of the target market as well as to enjoy decisive competitive advantages in that market.

Additionally, in order to manage the transition from a company only dealing with clients within the Deutsche Bank Group to a company now geared towards the external market dealing with demanding clients and a competitive market environment, it will be fundamental for dbsci management to focus on its staff. Without establishing a service mentality among its employees providing on-going training to them it will be hard for dbsci to compete successfully in that kind of marketplace.

Index of Abbreviations

ATM .... Automatic Teller Machine
CEC .... Central European Countries
CH .... Switzerland
CIM .... Chartered Institute of Marketing
CRM .... Customer Relationship Management
CSF .... Critical Success Factor
dbsci .... Deutsche Bank Servicios de Consultoría e Informatica, S.A.
DMU .... Decision Making Unit
Dr. .... Doktor (PhD)
EDS .... Electronic Data Services
high-tech .... high-technology
IT .... Information Technology
Jr. .... Junior
MOA .... Marketing Opportunity Analysis
p. .... page
pp. .... pages
SBU .... Strategic Business Unit
UK .... United Kingdom
USA .... United States of America
www. .... world wide web

Index of Figures

Index of Tables

List of Literature

A

Aaker, D. A. (1992): Developing business strategies, 3rd edition, Wiley, New York (USA) 1992

Aaker, D. A. (1984): Developing business strategies, 1st edition, Wiley, New York (USA) 1984

Abell, D. F.; Hammond, J. S. (1979): Strategic market planning, Prentice-Hall, Englewood Cliffs (USA) 1979

Ahrweiler-Weissmann, Weissmann (1993): Wie Sie Strategien mit System umsetzen. In: Gablers Magazin, 02/1999, p.13

Akhter, S. H. (1995): Global Marketing, South-Western College Publishing, Cincinnati (USA) 1995

Ames, B. C.; Hlavacek, J. D. (1984): Managerial Marketing – the ultimate advantage, Managerial Marketing, Mountainside (USA) 1984

Armitage, J. in: Field, C. (1996): New Strategies for marketing Information Technology, Chapman & Hall, London (UK) 1996

B

Baaken, T. (1993): Software-Marketing, Verlag Vahlen, München (Germany) 1993

Bagozzi, R. P. (1986): Principles of marketing management, Science Research Associates, Chicago (USA) 1986

Becker, J. (1998): Marketing Konzeption: Grundlagen des strategischen und operativen Marketing-Managements, 6. Auflage, Verlag Vahlen, München (Germany) 1998

Bennett, P. D. (1995): Dictionary of marketing terms, American Marketing Association, Chicago (USA) 1995

Bradley, F. (1991): International Marketing Strategy, Prentice-Hall, Englewood Cliffs (USA) 1991

Brockmann, K. (1998): Grundlagen einer Marketingkonzeption für ein Einkaufssystem einer deutschen Groβbank, Thesis in cooperation with department of Prof. Nastansky, University of Paderborn (Germany) 1998

Buckle, A. (2000): Opinion: Customer is king as banks' battle, at: http://www.ft.com/specials/q332006.htm, on: April 18th, 2000

Bureau, J. R. (1981): Brand management – planning and control, Macmillan, London (UK) 1981

C

Caywood, C. (1991) in: Moore, J.; Thorson, E. (1996): Integrated communication synergy of persuasive voices, Lawrence Erlbaum Associates, Mahway (USA) 1996

Chisnall, P. M. (1991): Strategic industrial marketing, 2nd edition, Prentice-Hall, Englewood Cliffs (USA) 1991

Chisnall, P. M. (1989): Strategic industrial marketing, 1st edition, Prentice-Hall, Englewood Cliffs (USA) 1989

Christopher, M. G. (1986): The strategy of distribution management, Heinemann, London (UK) 1986

Cohen, K. J.; Cyert, R. M. in: Kerin R. A.; Peterson R. A.: Perspectives on strategic management, Allyn and Bacon, Boston (USA) 1980

Cox, W. E. (1979): Industrial marketing research, Wiley, New York (USA) 1979

Czinkota, M. R.; Kotabe, M.; Mercer, D. (1997): Marketing Management, Blackwell, Cambridge (USA) 1997

D

Davidow, W. H. (1986): Marketing High Technology: an insider's view, Free Press, New York (USA) 1986

Davis, G.; Hamilton, P. in: Billeter (1995): IT-Outsorcing – marktwirtschaftliche Ansätze zur Bereitstellung der IT-Infrastruktur in Unternehmungen, Dissertation, Universität Zürich (CH) 1995

Day, G. S. (1985): Strategic market planning – the pursuit of competitive advantage, West Publisher Co., St. Paul (USA) 1985

Dbsci Strategy 2000, Internal Strategy Paper, dbsci 2000

De Jaquelot, P. (1999): Ups and downs of internet banking, at: http://www.ft.com/specials/sp2e76.com, on: April 18th, 2000

Dibb, S.; Simkin, L., Bradley, J. (1997): The marketing planning workbook, Routledge, New York (USA) 1997

Duncan, T.; Caywood, C. in: Moore, J.; Thorson, E. (1996): Integrated communication synergy of persuasive voices, Lawrence Erlbaum Associates, Mahway (USA) 1996

Doyle, P.; Sanders, L. in: Journal of Marketing, Vol.49, Spring 1985

E

Englert, G. (1977): Marketing von Standard-Anwendungssoftware, Planungs- und Organisationswissenschaftliche Schriften, München (Germany) 1977

F

Field, C. (1996): New Strategies for marketing Information Technology, Chapman & Hall, London (UK) 1996

Frank, J. (1980): Standard Software: Kriterien und Methoden zur Beurteilung und Auswahl von Software-Produkten, 2.Auflage, Verlag Müller, Köln-Braunsfeld (Germany) 1980

G

Gerstner Jr. in Kerin R. A. and Peterson R. A. (1980): Perspectives on strategic management, Allyn and Bacon, Boston (USA) 1980

Greenly, F. (1983) in: Journal of Management, Vol.12, No.1, 1983

Griffin, R. W.; Moorhead, G. (1986): Organisational Behavior, Houghton Mifflin, Boston (USA) 1986

H

Hollensen, S. (1998): Global Marketing – a market responsive approach, Prentice-Hall, London (UK) 1998

J

Johnson, G.; Scholes, K. (1997): Exploring corporate strategy, Prentice-Hall, London (UK) 1997

K

Kantrow, A. (1980): The Strategy-Technology Connection. In: Harvard Business Review, July/August 1980

Kappler, R. H. (2000): What makes customer click in Internet banking, at: http://www.datamonitor.com/press/prtemplate.asp?id=fs200313+Global+Best+Internet, on: April 18th, 2000

Keller, A. (1993): Der Entscheidungsprozeβ bei Beschaffung innovativer Software, Verlag Peter Lang, Frankfurt am Main (Germany) 1993

Kerin R. A. and Peterson R. A. (1980): Perspectives on strategic management, Allyn and Bacon, Boston (USA) 1980

Kirsch, W.; Boersig, C.; Englert, G. (1979): Standardisierte Anwendungsprogramme in der Praxis: empirische Grundlagen fuer Gestaltung und Vertrieb, Beschaffung und Einsatz, Verlag Schmidt, Berlin (Germany) 1979

Kotler, P. (2000): Marketing Management: analysis, planning, implementation, and control, Prentice-Hall, London (UK) 2000

Kotler, P. (1999): Kotler on marketing: How to create, win, and dominate markets, Free Press, New York (USA) 1999

Kotler, P. (1995): Marketing Management: analysis, planning, implementation, and control, Prentice-Hall, London (UK) 1995

Kotler, P.; Armstrong, G. (1991): Principles of marketing, Prentice Hall, Englewood Cliffs (USA) 1991

Kotler, P. (1988): Marketing Management and strategy, Prentice-Hall, Englewood Cliffs (USA) 1988

L

Lamb Jr., C.; Hair Jr., J.; McDaniel C. (1998): Marketing, South-Western College Publishing, Cincinnati (USA) 1998

Levitt, T. (1969): The Marketing Mode, McGraw-Hill, New York (USA) 1969

Lindgren Jr., J. H.; Shimp, T.A. (1995): Marketing – an interactive learning system, Dryden Press, Chicago (USA) 1995

M

Mackintosh, J. (2000): Banking: Internet inspires a revolution, at: http://www.ft.com/ftsurveys/q75ba.htm, on: May 19th, 2000

Maher, P. (1983): High-Tech Mating Rituals: Scoring the Right Distribution. In: Business Marketing, June 1983

Mahin, P.W. (1991): Business-to-business-marketing, Allyn and Bacon, Boston (USA) 1991

MacDonald, M. (1992): Strategic marketing planning, Kogan Page, London (UK) 1992

MacDonald, M. (1989): Marketing plans – how to prepare them, how to use them, Butterworth-Heinemann, Boston (USA) 1989

MacDonald, M.; Dunbar, I. (1995): Market Segmentation - a step by step approach to creating profitable market segments, Macmillan, Basingstoke (UK) 1995

MacDonald, M. (1984): Marketing plans – how to prepare them, how to use them, Butterworth-Heinemann, Boston (USA) 1984

Marketing Dictionary (2000), Monash University Australien, at: http://www.buseco.monash.edu.au/Subjects/MKT/MTPonline/Dictionary/, on: October 17th, 2000

McNamee, B.; McDonell, R. (1995): The marketing casebase – short examples of marketing practice, Routledge, London (UK) 1995

Mellville, G. in: Field (1996): New Strategies for marketing Information Technology, Chapman & Hall, London (UK) 1996

Merriam-Webster's Collegiate Dictionary (2000), at: http://www.m-w.com/dictionary, on: April 18th, 2000

Merrill Lynch (2000): e-banking in Europe, Report of May 10th 2000, Internal dbsci Paper

Meffert, H. (1998): Marketing: Grundlagen marktorientierter Unternehmensführung, 8.Auglage, Betriebswirtschaftlicher Verlag Gabler, Wiesbaden (Germany) 1998

Meffert, H. (1986): Marketing: Grundlagen marktorientierter Unternehmensführung, 7.Auglage, Betriebswirtschaftlicher Verlag Gabler, Wiesbaden (Germany) 1986

Murphy, J. M. (1990): Brand strategy, Director Books, Cambridge (UK) 1990

Murray, J. A.; O'Driscoll, A. (1996): Strategy and process in marketing, Prentice-Hall, London (UK) 1996

Muschalla, H. (1993): Wandel zum Käufermarkt. In: Office Management 41/1993

N

Naumann, G.; Lincoln, P.; McWilliams, D. in: Industrial Marketing Management, May 1984

Neugebauer, U. (1986): Das Software-Unternehmen: empirische Untersuchung des Unternehmensverhaltens und der Faktoren des Unternehmerserfolges, GMD, München (Germany) 1986

O

Office Management 03/1999

O'Shaughnessy, J. (1988): Competitive Marketing, 2nd edition, Routledge, London (UK) 1988

O'Shaughnessy, J. (1984): Competitive Marketing, 1st edition, Routledge, London (UK) 1984

P

Percy, L. (1997): Strategies for implementing marketing communication, NTC Business Books, Lincolnwood (USA) 1997

Phillips, C.; Doole, I.; Lowe, R. (1995): International marketing strategy, Routledge, London (UK) 1994

Piercy, N. F. in: Kotler, P.; Armstrong, G. (1991): Principles of marketing, Prentice-Hall, Englewood Cliffs (USA) 1991

Porter, M. E. (1980): Competitive Strategy: Techniques for Analyzing Industries and Competitors, The Free Press, 1980

Power, C. (1999): New e-banks battle it out, at: http://scripts.ireland.com/search/highlight.plx?TextRes=e%2Dbanks&Path=/newspaper/finance/1999/1210/tech5.htm, on: May 18th, 2000

Preiß, J. P. (1992): Strategische Erfolgsfaktoren im Software-Marketing, Verlag Peter Lang, Frankfurt (Germany) 1992

Private Banking IT Strategy Workshop (1999), Internal dbsci Paper of Workshop at Bad Ragaz (Germany) 1999

R

Ries, A.; Trout, J. in Kotler (2000): Marketing Management: analysis, planning, implementation, and control, Prentice-Hall, London (UK) 2000

Robinson, P. J.; Faris C. W.; Wind Y. (1967): Industrial Buying and Creative Marketing, Allyn & Bacon, Boston (USA) 1967

Rohr, S.; Streicher, H. (1994): Marketing und Vertrieb in der DV, Computerwoche-Verlag, München (Germany) 1994

S

Schank, T. in: Industrial Marketing Management, 11/79

Schildhauer, T. (1992): Strategisches Softwaremarketing, Deutscher Universitäts-Verlag, Wiesbaden (Germany) 1992

Shanklin, W. L.; Ryans Jr., J. K. (1985): Marketing High Technology, Lexington Books, Lexington (USA) 1985

Smith, A. (1977): The Wealth of Nations, Dutton, New York (USA) 1977

Smith, P.; Berry, C.; Pulford, A. (1997): Strategic marketing communication, Kogan Page, London (UK) 1997

Speidel, L. (1999): The important difference between marketing tactics and strategy, at: http://www.smallbiz2000.com/articles/article0023.html, on: May 25th, 2000

T

TechEncyclopedia (2000), at: http://www.techweb.com/encyclopedia/, on: April 18th, 2000

The Chartered Institute of Marketing (2000), at: http://www.cim.co.uk/libinfo/index.htp, on: May 25th, 2000

Thompson, K. (1999): Foundations of Marketing Practice, University of North Texas (USA), at: http://www.coba.unt.edu/mktg/faculty/thompson/, on: May 25th 2000

Toyne, B.; Walters, P. (1993): Global Marketing Management, Allyn and Bacon, Boston (USA) 1993

Toyne, B.; Walters, P. (1989): Global Marketing Management, Allyn and Bacon, Boston (USA) 1989

V

von Maltzan, R. (1999): Presentation Retail and Private Banking Today, 2nd Analyst Workshop Retail and Banking in Kronberg (Germany), November 9th, 1999

W

Webopedia (2000), at: http://www.webopedia.com, on: April 18th, 2000

Webster, F. E. (1991): Industrial marketing strategy, Wiley and Sons, New York (USA) 1991

Webster, F. E.; Wind, Y. (1972): Organizational Buying Behavior, Prentice-Hall, Englewood Cliffs (USA) 1972

Wind, Y. (1972) in: Journal of Marketing Research, 08/1972

Withnall, K. in Field (1996): New Strategies for marketing Information Technology, Chapman & Hall, London (UK) 1996

Wotruba, T. R.; Simpson, E. K. (1989): Sales management, PWS-Kent, Boston (USA) 1989

Y

Young, L. in: Field (1996): New Strategies for marketing Information Technology, Chapman & Hall, London (UK) 1996