

Solution Manual for Marketing Canadian 10th Edition Crane Kerin Hartley

Rudelius 1259268802 9781259268809

Full Link Download:

Solution Manual:

<https://testbankpack.com/p/solution-manual-for-marketing-canadian-10th-edition-crane-kerin-hartley-rudelius-1259268802-9781259268809/>

Test Bank:

<https://testbankpack.com/p/test-bank-for-marketing-canadian-10th-edition-crane-kerin-hartley-rudelius-1259268802-9781259268809/>

Chapter 2: Developing Successful Marketing Strategies Langley Green Gardens

“We’re never going to get this plan approved, Luke. I mean, look at our marketing objective: it is not even in line with the president’s overall goal for the company.” Amanda Patel glanced down despairingly at the document that she and her assistant, Luke Saunders, had just spent several weeks developing. The deadline for submission of the 2009 Marketing Plan to the president was only two weeks away. Somehow she and Luke were going to have to rework their entire draft plan before that deadline. At least, that is what she was thinking at that moment. “Look, I am really upset right now. Why don’t we get together this afternoon after I have had time to settle down a little?” Luke quickly agreed and left Amanda’s office with the promise to return right after lunch.

Amanda sat back in her chair and reviewed events of the past few weeks. How had she managed to back herself into a corner like this and how was she going to get out of it?

Amanda was marketing manager of packaged seeds in the Consumer Products Division of Langley Green Gardens Limited in Vancouver, British Columbia. Langley was a medium-sized, private firm that had been in business for over twenty years. The founder, Gordon Lee, still owned and operated it, and acted as president. It had started as a seed company, supplying both the consumer and business market with high quality vegetable, fruit, and flower seeds. Over the years Langley had expanded into small plants, fertilizers, gardening tools, and other similar, related products. Overall the company was successful, due largely to Gordon Lee’s business acumen.

Two months previously, Gordon had called a meeting of all managers to discuss the planning cycle for the next fiscal year. He had already mapped out the overall corporate goal for next year in conjunction with his two senior managers, and now he wanted to share this with his other managers. Gordon had analyzed a great deal of data in preparing the corporate goal. He believed that the current economic turmoil, originating south of the border and now affecting the Canadian economy, was going to continue, and he believed it would exert a negative influence on Langley. He presented his overall target for next year: a revenue increase of +3% in dollar sales. Gordon did not believe the company could expect any volume increase and was forecasting the +3% based solely on a price increase of the same amount. “This is a

conservative estimate, I know, but there is a lot of uncertainty surrounding 2009. I want to err on the side of caution.”

This came as a shock to Amanda because her own ongoing trend analysis suggested a much stronger forecast. Over the past three years her volume sales had been increasing at an annual rate of approximately 3.5-4%, and she had every reason to believe this would continue, if not accelerate. Her research revealed a back-to-nature trend, fuelled by the green movement, from which her business was benefiting substantially. She had trouble believing that this trend was suddenly going to come to a halt. Furthermore, she had not implemented a price increase in over three years, made possible by the strong anti-inflationary measures of the Bank of Canada.

As she sat listening to Gordon, she really had to wonder what was driving Gordon’s predictions. Furthermore, and more importantly for Amanda, she was alarmed that she and Gordon were viewing the marketplace so differently. She had been slowly working through a tentative approach to her 2009 Marketing Plan over the past several months, reviewing sales data as they became available, tracking competitors’ activities, and constantly reading the general business news. Her forecast was a great deal more optimistic than Gordon’s. How was she going to convince Gordon that her outlook was much more likely than his?

When the meeting ended, Amanda approached Gordon and carefully expressed her concern – carefully because Gordon had a reputation for not responding graciously to others’ opinions when they differed from his own. However, he was surprisingly open to Amanda’s comments and suggested that they get together along with Amanda’s immediate manager, the director of the Consumer Products Division, and chat further.

Later that week, they did just that. Amanda and her manager, Andy Wishart, held their own meeting before the meeting with Gordon, and he was largely supportive of her position. He added, “Your research justifies your stance on this, but you have to admit that Gordon’ points are strong, too. I am going to leave it to you to defend yourself in our upcoming meeting. This is your chance to really demonstrate your capabilities to Gordon.”

The meeting went reasonably well. Amanda laid out all her evidence to demonstrate why a sales volume increase made sense for packaged seeds for 2009. She also noted that a price increase, such as Gordon was suggesting, could well damage her ability to meet the forecast. Gordon frowned. He believed that a price increase would have a negligible impact on sales volume; that is, sales volume would be flat regardless of any price increase taken or not taken. This was because, as he explained it, the company would be able to implement a 3% price increase because of inflationary pressures in general. Food products in grocery stores had already increased by far more than 3% over the past six months. By the time Langley’s own price increase occurred, no one would give it a thought.

As the meeting came to a conclusion, Gordon summarized the main points under discussion. “Although you have presented several convincing arguments, Amanda, I still think that our overall approach to 2009 has to be conservative. I fully expect some areas of the business to do better than others in the coming year, but let me be clear: your 2009 Marketing Plan has to be consistent with the corporate objectives and strategies and with your own division’s objectives and strategies” – and here he nodded to Andy. “I leave it to you.”

As she and Andy left the president’s office, Andy suggested that they get together later that day, along with Luke, and review how they were going to proceed. So, at 3:30 P.M. the three of them began their meeting. Amanda presented her case forcefully to leave her forecast intact. She also insisted on recommending no price increase in her Plan. As she pointed out, “The net effect on dollar sales will be negligible. So Gordon cannot argue against it.” Andy decided to go along with it. After all, as Langley was structured, Amanda

herself was responsible for obtaining approval for her 2009 Plan since Gordon reserved the right to “micro manage” the marketing function.

Over the following weeks, Amanda and Luke developed the Marketing Plan for packaged seeds. The morning on which this story opened, though, Amanda received a blow. Gordon sent her an e-mail, reminding her that her plan had to be consistent with his corporate plan. Did this mean that she would have to redo all her and Luke’s hard work? Did it mean that the marketing plan for every Langley product line had to be exactly the same? If some parts were in line (for example, consistent with Langley’s mission statement), was this enough? How should Amanda proceed?