
Sayers Solutions' Organisational Analysis

Marketing and Strategy
for Small Businesses and Non-Profit
Organisations



Sayers Solutions hopes you find this a useful document for you to outline and explore some of the elements you might want to cover in your strategic plan for your business.

Generally, small business owners know it in their head, heart, and judge by their gut. But documenting this knowledge is a vital part of building a strategy.

The document starts by providing explanations and overviews of a range of business terminology and models. Sayers Solutions recommends using these when undertaking a strategic review of your organisation and the environment in which it sits.

You will then find templates of the models in the second half of the document, which you can print and make notes on.

Exploring, and most importantly, documenting your findings will enable you to build a strategy, maintain it, implement changes, and carry out tactics which help YOUR business effectively and meet your desired objectives.

For further information, or to find out more about Sayers Solutions' 4 Part Plan and other ways that we can assist you, please get in touch. You can book a session with Sayers Solutions, or email us for any reason at all!

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Business terms

Please find below explanations of some business terms which Sayers Solutions uses with clients to help them explore their business and build a strategy for it.

Appendix A gives you a template for notes.

Strategy

A strategy is simply a plan. Everything needs a plan, but, when an action is performed frequently, the plan does not need to be referred to every time. However, in order to change direction or make improvements a new plan needs to be created.

a strategy is a way of looking to the future and developing a plan of action to be implemented, which drives the organisation in the desired direction.

It provides the direction and scope of an organisation over the long-term, which achieves advantage for the organisation through its configuration of resources within a challenging environment to meet the needs of markets and to fulfil stakeholder expectations.



Business Definition

The business definition is the starting and finishing point of Strategic Planning. It establishes what the business is and where it is heading.

There is a certain amount of un-blinkered creativity involved with Strategic marketing thinking. It is most successful when the marketer thinks not in terms of product, but rather in terms of benefits or solutions delivered to the customer.

There are three business definition scopes -

- Narrow scope - product based
- Intermediate scope – industry based
- Broad scope – customer needs/ benefit based

Ask yourself the question, "What business are you in? "

Try to avoid being too focused on the product, instead focus on identification of the customer needs. Use creative, outward-looking, problem solving marketing thinking.

*Customers buy products to solve problems,
if the product does not solve the problem or if something else solves it better,
then the customer will turn away.*

The distinction between the product and the problem it solves matters because marketing strategy is about managing the organisation's activities within the real world.

So instead, maybe think "What problem does your business solve?"



Vision

Each organisation will have a vision of who they want to be, what they want to do and how they think they will do it, even if it has not been established or documented.

Your vision sets the purpose, general direction, and the path of the organisation. It is the desired future state of the organisation, and an aspiration around which to focus attention and energies.

Ask yourself these questions -

- How do you see your business in three / five / ten years' time?
- What do you want people to be saying about your business then?
 - E.g. - customers, suppliers, competitors, peers, family members etc

Vision Statement

Your **vision statement** is the future state of the business. By documenting your vision, you can create a strategy. While it is ever changing in your mind, any plans you make will not be effective. By documenting it, you will also be able to measure your success and journey.



Values

Values are the understandings and expectations of the organisation, upon which all organisational relationships are based.

Mission Statement

The mission statement is a generalised statement about the purpose of the organisation. It is the reason your business exists. To be useful to you it needs to be relevant, memorable, and inspirational.

Your Vision provides an overall frame of reference within which a mission statement is written, and goals are selected.

"If vision is ill formed, mission statements will be vague and goal achievement hard to measure".



Goals and Objectives

Every business needs goals in order to measure success and set direction. If you do not know where you are going, how will you know when you arrive?

Very broadly, organizational goals can be classified into a few categories:

- Those that aim to make a profit for their owners.
- Those that aim to maximize benefits to society.
- Those that aim to maximize benefits to their members.

What do you want to achieve?

Macro and Microenvironments

You need to be aware of both everything your organisation is and what you can control, as well as what you cannot. The external influences that could impact your business are your macro environment, whereas the internal factors are your microenvironment.



Assets and Competencies

Assets or competencies often provide a sustainable competitive advantage (SCA).

- A competency is what an organisation does exceptionally well.
- An asset is a resource.

Your strategy formulation must consider the cost and feasibility of generating or maintaining assets or competencies that will provide the basis for a sustainable competitive advantage.

Core Competencies

Core competencies are the special and unique capabilities that distinguish the organisation from its competitors and critically underpin the organisation's competitive advantage.

Target Audience / Market

Target audience or target markets are a defined group of consumers (demographic, geo-demographic, users, former customers.) to segment your market of potential buyers



Value Proposition

A value proposition summarizes why a customer would choose your product or service. It needs to appeal to new and existing customers, be relevant and meaningful and reflect the positioning of the product or service. It also needs to be sustainable over time and make the business stand out from its competitors.



Business models, tools, and exercises

There are many activities that you can undertake to help you explore your business and the influencing factors, to form and maintain a strategy that complements your business skills and environment.

Sayers Solutions recommends using **the 4 P's, swot, pest, stakeholder analysis, ideal customer analysis, and competitor analysis** as part of an organisation analysis, described below.

However, these are not just one-off exercises used at the beginning of the strategy building exercise. They should be used frequently, if not constantly, to enable you to review, monitor and make adjustments, in order to achieve the goals and vision of the organisation.

Templates for each of the tools are provided in the appendix.



The 4 P's (aka the Marketing Mix)

Product, price, place and **promotion** are the cornerstones of marketing.

These are the elements that you can tweak or make big changes to in order to market your business.

What is your **product**? Perhaps it is a service. What does it do, who is it for, what needs does it satisfy? Can you describe it, does it come in packages, and does it need to be made, transported or require other suppliers? Do you need to employ people, or do you need to acquire premises?

What is the **price** of your product? How have you come to this decision, what is your pricing strategy, are you positioning your product, are you making enough money to grow? What are the costs involved in creating and providing your product?

Where is the **place** of your product? Where do you make it, sell it and promote it? Where are your customers, where will they contact you? Have you got nonphysical places like a website, social media, a blog or other methods of communication? Where will people be when they touch your product or find out about it?

How will you **promote** your product? This one is the easy one and most explored so I will leave this to your imagination for now.



SWOT analysis

A **SWOT** is the study of the internal environment of your organisation. It concentrates on diving the information according to **strengths, weaknesses, opportunities** and **threats** .

Brainstorming under these headings is just the first step, its what you do with the information that will be transformational.

What are your internal influences?

Strengths	Weaknesses
Opportunities	Threats

PEST analysis

Like a SWOT, however a PEST focuses on the macro environment and is a technique for analysing the influences external to your organisation.

It breaks down the external factors which impact the business, segmented according to **political, economic, socio-cultural,** and **technological** aspects.

These macro influences are outside of the control of the organisation. While you cannot change them, they can change you!

They can also provide you with interesting content as part of your marketing communications. It will enable you to identify topics to use in your marketing communications, providing you points to share and comment on which affect you or your customers' industry – demonstrating that you are an expert in your field.

What external influences could impact your business?

Here is a broad list for each section. Try looking through and identifying areas you are aware of and which you might need to improve your knowledge on.



Political

- ecological/environmental issues
- legislation (current, future, home market, international)
- regulatory bodies and processes
- government policies
- government term and change
- trading policies
- funding, grants and initiatives
- home market lobbying/pressure groups
- international pressure groups
- wars and conflicts

Economic

- home economy situation & trends
- overseas economies and trends
- general taxation issues
- taxation specific to product/services
- seasonality/weather issues
- market and trade cycles
- specific industry factors
- market routes and distribution trends
- customer/end-user drivers
- interest and exchange rates
- international trade/monetary issues

Social

- lifestyle trends
- demographics
- consumer attitudes and opinions
- media views
- law changes affecting social factors
- brand, company, technology image
- consumer buying patterns
- fashion and role models
- major events and influences
- buying access and trends
- ethnic/religious factors
- advertising and publicity
- ethical issues

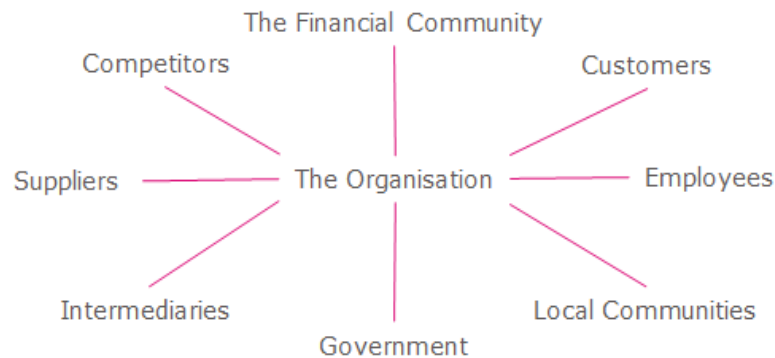
Technology

- competing technology development
- research funding
- associated/dependent technologies
- replacement technology/solutions
- maturity of technology
- manufacturing maturity and capacity
- information and communications
- consumer buying mechanisms/technology
- technology legislation
- innovation potential
- technology access, licencing, patents
- intellectual property issues
- global communications

Stakeholder Analysis

Stakeholders are individuals or groups who have an interest in and/or are affected by the goals, operations or activities of your organisation or the behaviour of your members.

They may not have any direct dealings with your company, but they are nevertheless affected by your actions.



The most obvious and important stakeholders are customers, potential customers, suppliers, competitors, and authorities as these are the organisations that you interact with and focus on daily.

Stakeholders need to be identified in order to be fully aware of who impacts and can be impacted by your business.

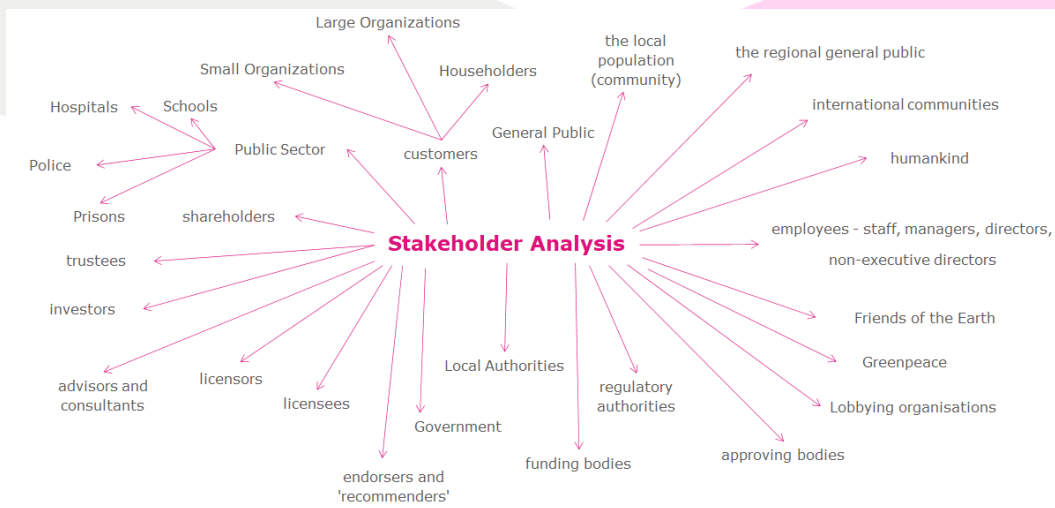
This analysis aids understanding of where the organisation sits in society.

Stakeholders often have different agendas and may disagree over what constitutes good behaviour. Some are more important to organisations than others, but this varies from one situation to another.

Your organisational survival is dependent upon a series of exchanges between your organisation and your environment. These exchanges and the continual interaction with the environment give rise to several broader responsibilities to society

A key part of strategic analysis is understanding and managing stakeholders; however, it is often overlooked. When you know who your stakeholders are, you are in a much better place to prioritise your efforts.

Who are your stakeholders?



Ideal Customer Analysis

An easy way to begin is to describe your ideal customers - not each individual one but perhaps 4 ideal ones to start with.

Give each of them a name. Describe their situation, what is their problem, how old are they, what is their family structure, do they work, what do they do for enjoyment, how do they travel, what are their favourite brands.

This is still relevant if you are B2B and your customer base is businesses – people buy from people, so think about the different roles of the people you will be speaking to and what characteristics they have.

There are tools such as Pinterest which can help you create a mood board if you are more visual.

Who are your ideal customers?

Ideal 1	Ideal 2
Ideal 3	Ideal 4

To enable you to sell to your customer, you need to know your customer and tailor your product, price, place, and promotion around them.

Competitors

A way to examine and categorise your competitors is according to whether they are direct or indirect, and immediate or emerging.

There are possibly many people out there offering similar products to you – your direct competitors.

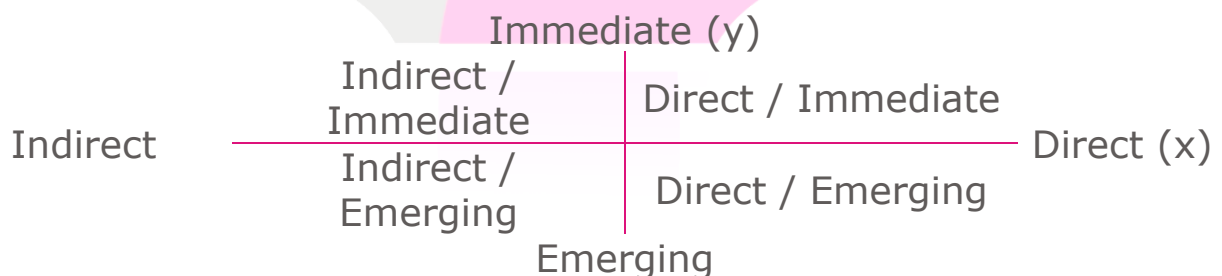
There are also those serving your customers' needs in a different way – indirect competitors.

Those who already do what you do - are immediate competitors

Those who could start doing what you do - are emerging competitors

Unlike previous visual aids, for this analysis you should use a positioning chart. The x axis goes from indirect to direct, and the y axis represents time.

Your immediate/direct quadrant needs to be closely analysed frequently, whilst not forgetting to keep your eye on those in your indirect/emerging segment, as they could take the market right out of your ball game.

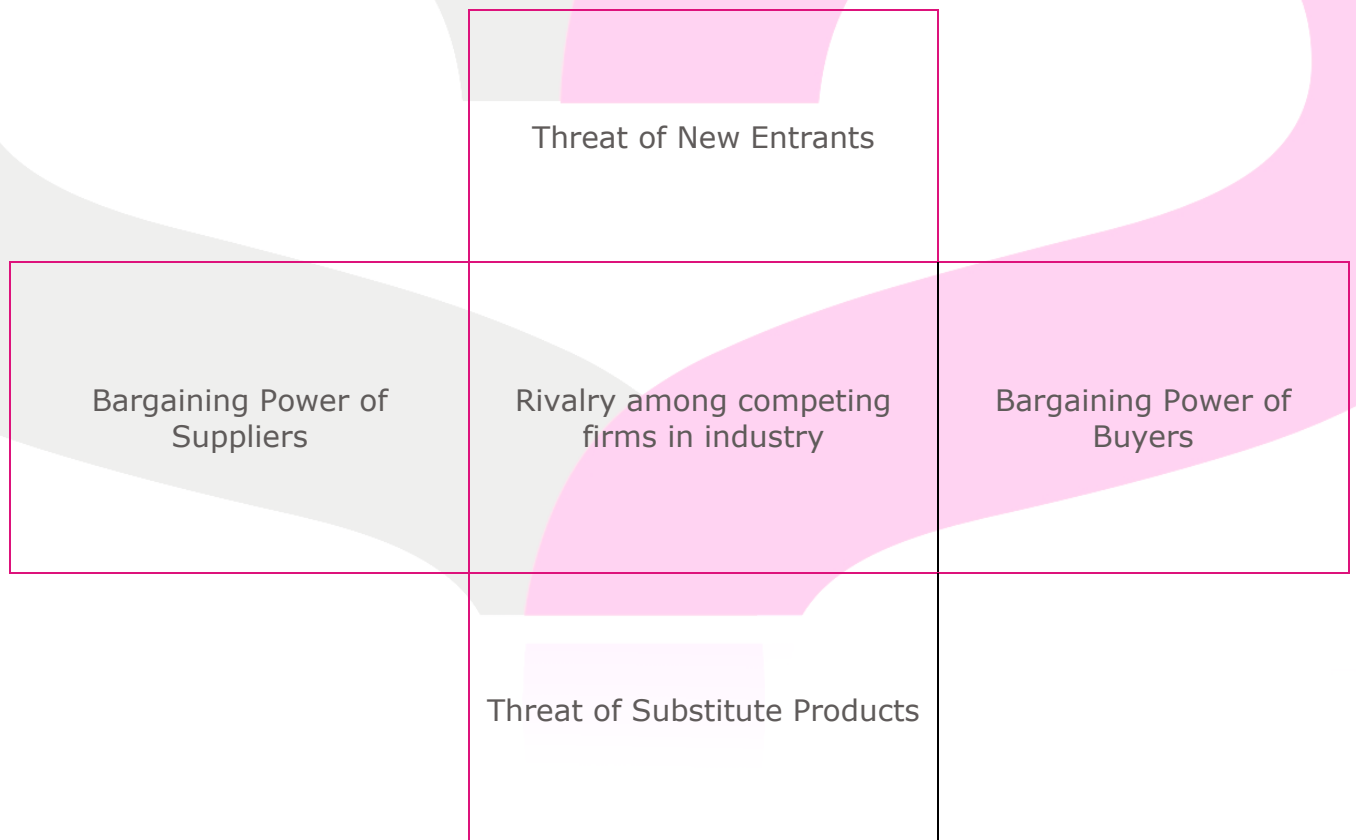


Extra Models

Here are some extra models which you could use to further your understanding of your market. **Porters 5 forces, product / market growth ansoff matrix** and **organisational culture**.

Porters 5 forces

This model assesses the competitive strengths and position of an organisation.



Product / Market Growth

Also known as the Ansoff Matrix, this model suggests that an organisation's attempt to grow its business depends upon whether it markets new or existing products in new or existing markets. This produces four types of growth – **market penetration, market development, product development, diversification**

		Product	
		Existing	New
Market	Existing	Market Penetration	Product Development
	New	Market Development	Diversification



Organisational Culture

This diagram enables you to identify the components of the culture of an organisation.

Routine – way in which employees behave towards each other.

Rituals – special events though which the organisation emphasises what is important.

Stories – told by members of the organisation.

Symbols – Logos, office, cars, titles, type of language, terminology.

Power Structures – Most powerful individuals or groups in the organisation which may be based on management position.

Control Systems – measurement and reward systems, that emphasise what is important to monitor and to focus attention and activity on.



Appendix

Appendix a - Business Terms

<i>Business Definition</i>	
<i>Vision</i>	
<i>Goals and objectives</i>	
<i>Mission Statement</i>	
<i>Values</i>	
<i>Assets and Competencies</i>	
<i>Core Competencies</i>	
<i>Target Audience / Market</i>	
<i>Value Proposition</i>	



Appendix e - The 4 P's

<i>Product</i>	<i>Price</i>
<i>Place</i>	<i>Promotion</i>



Appendix c - SWOT

<i>Strengths</i>	<i>Weaknesses</i>
<i>Opportunities</i>	<i>Threats</i>



Appendix b - PEST

<i>Political</i>	<i>Economic</i>
<i>Social</i>	<i>Technology</i>



Appendix d – Stakeholder Analysis



Stakeholder analysis

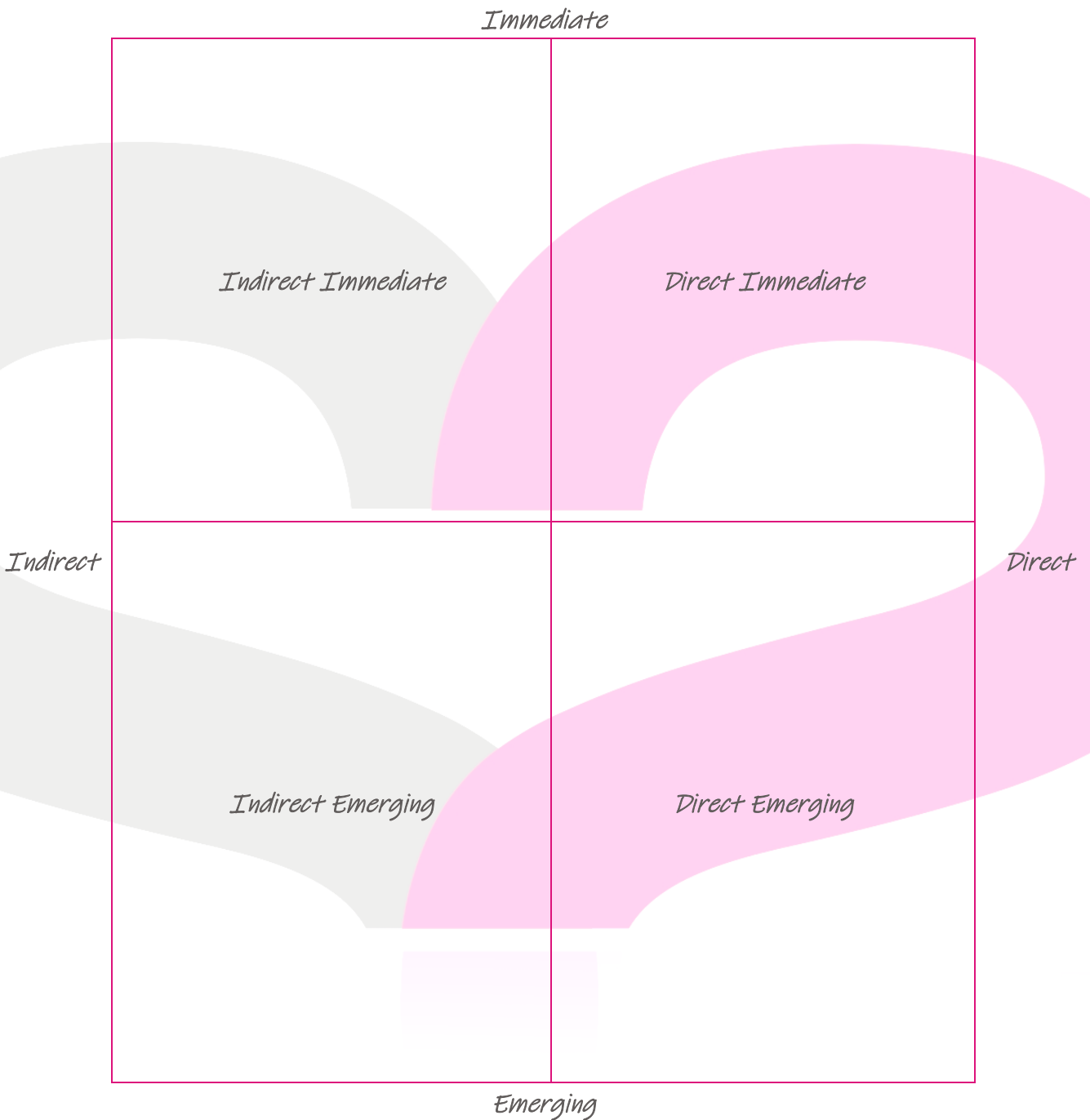
You may also want to list the names of competitors, suppliers, authorities etc on a separate sheet.

Appendix f - Ideal Customer

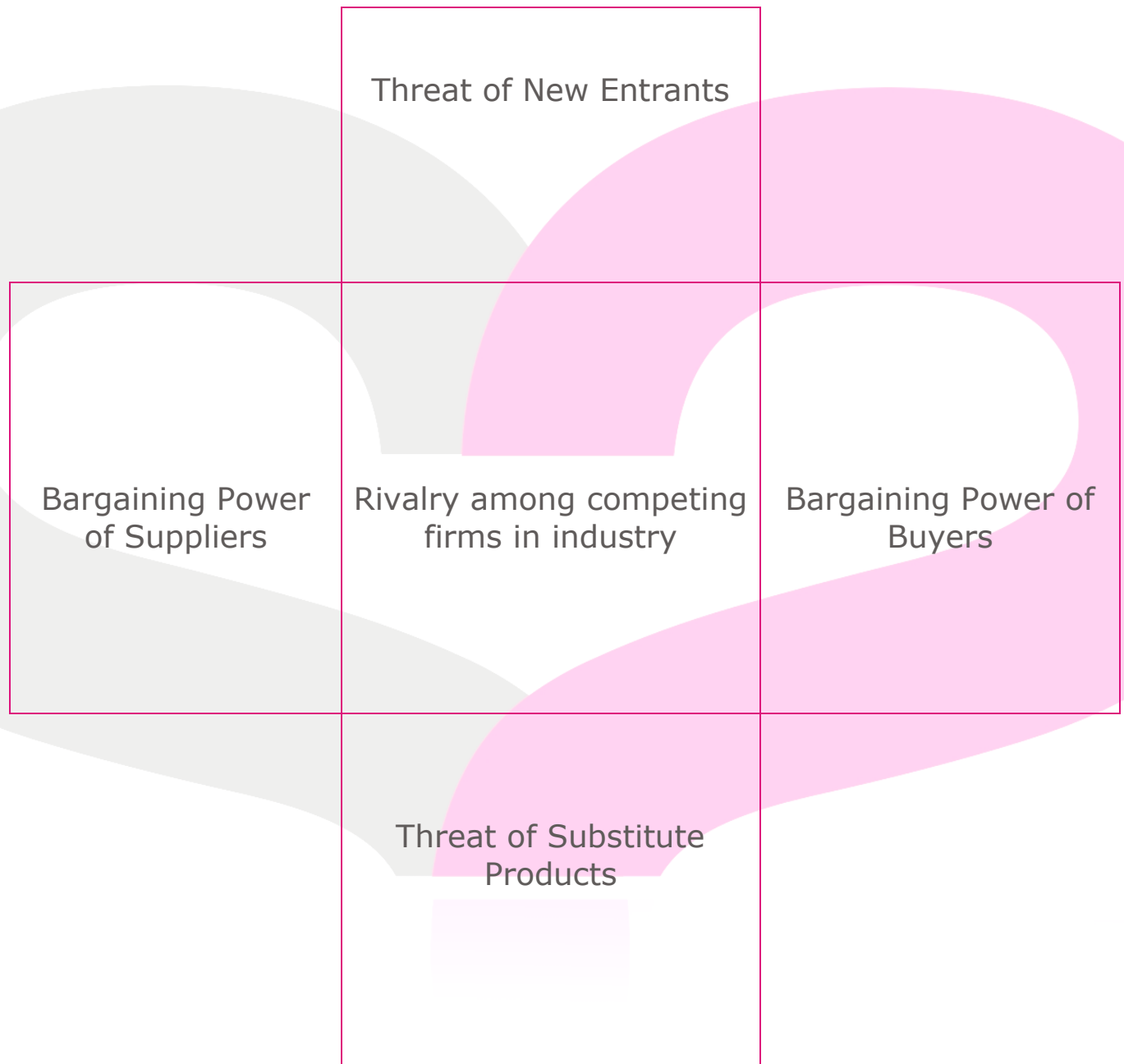
<i>Ideal 1</i>	<i>Ideal 2</i>
<i>Ideal 3</i>	<i>Ideal 4</i>



Appendix g - Competitors



Appendix H – Porters 5 Forces



Appendix I - Product / Market Growth

