Aligning Marketing and Manufacturing Strategies with the Market
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Summary

Frameworks and methodologies are an essential aid for executives when formulating, articulating, debating, and implementing functional strategies such as marketing and manufacturing. The framework and methodology described in this paper provide a way of organizing management thinking about manufacturing strategy and how it relates to a firm’s markets and marketing strategy, and a means of articulating the strategies to other business functions.

The framework and methodology are based on the view that the market is the common denominator when developing functional strategies. The five step, hard-data-driven process to achieve strategic alignment is illustrated in the context of a business case. The example demonstrates how the methodology enables the assessment of:

(a) the critical market requirements that need to be supported by manufacturing;
(b) the actual performance against these requirements;
(c) the relationship of particular manufacturing investments to the market requirements;
(d) the current marketing strategy and how it fits with manufacturing in view of the overall investment;
(e) the strategic options for improvement in both manufacturing and marketing.

Strategic options in marketing can be connected with strategic options in manufacturing and vice versa. In this way, a manufacturing strategy can be developed to support marketing strategy and to develop competitive advantage.