

MARKETING AUDIT SHORT FORM

Objective

To examine whether the company is pursuing its best opportunities with respect to markets, products and channels of distribution.

What is audited?

1. The Marketing Environment - markets, customers, competitors and macroenvironment.
2. The Marketing System – goals, objectives, strategies, programs, implementation and organization.
3. The Marketing Activity - products, prices, distribution, personal selling, advertising, publicity, and sales promotion.

What is the expected outcome?

1. Determine opportunity areas for the company.
2. An action plan that improves the company's overall marketing effectiveness and improves overall profitability.

Methodology

Utilization of a systematic set of questions that examines critical areas of the company's marketing operations.

Who should participate?

A representative group/sample of senior and middle management plus any employees who have dealings with external parties (customers, suppliers etc).

PART 1. The Marketing Environment Review

A. Markets

1. What are the major market segments in each market?
2. What is the present size and characteristic of each market segment?

B. Customers

1. Who are your most important customers?
2. How do customers make their purchase decisions?

C. Competitors

1. Who are the organization's major competitors?
2. Who are likely new competitors?
3. What are the major competitors' strengths and weaknesses?
4. What trends can be foreseen in competition?

D. Macroenvironment

1. What are the main relevant developments affecting your industry and the organization's situation with respect to:
 - demographics
 - social issues
 - the economy
 - technology
 - government and regulations
 - culture

PART 2 The Marketing System Review

A. Goals & Objectives

1. What are the organization's long term and short term overall goals & objectives?
2. What are the organization's long term and short term marketing objectives?

B. Strategies

1. What is the organization's core strategy for achieving its objectives, and is it likely to succeed?

C. Programs

1. What are the major marketing programs that are being implemented?
2. Are the marketing resources allocated optimally to the various markets, territories and products of the organization?

D. Implementation

1. Does the organization implement control procedures (tracking, reporting etc.) to ensure that the plan is being followed and that the objectives are being achieved?
2. Are people made accountable for the achievement of specific goals?

E. Organization

1. Are the other people involved in marketing activity, the right people? Is there a need for leadership, more training, incentives, supervision, or evaluation?

PART 3 The Marketing Activity Review

A. Products/Services

1. What unique value/benefit does the organization create for their customers as a whole?
2. What are the main products of the organization?
3. What is the profitability of each product/product line?

B. Prices

1. How does the organization set prices (cost, demand, competition)? Are there profitability objectives in the pricing calculation?
2. Are there margin trends in the market?
3. Does the organization have any cost/pricing advantages vs competitors?

C. Distribution

1. Does the organization carry significant inventory? If so, why?
2. Does the organization have sufficient logistics to service their customers?
3. Does the organization render adequate service, along with the product, to its customers?

D. Personal Selling

1. Is the sales force organized along the best lines for specialization (territory, market)?
2. Does the sales force have the appropriate tools to complete the sale?
3. Is the sales force sufficiently trained and incentivized?

E. Advertising

1. Does the organization adequately state its advertising objectives?
2. Are the themes, design and copy effective?

F. Publicity

1. Does the organization have a carefully formulated program of publicity?
2. Is there someone accountable for its dissemination?

G. Sales Promotion

1. Are sales promotions used by the organization?
2. If so, are they effective?

H. Customer Service

1. Are there specific procedures for handling prospective customers on the first visit?
2. On subsequent visits?

I. Website

1. Is there a need for a website?
2. What is the rationale for the website?

J. Market Research

1. Is there a need for additional information in order to complete this audit?