

Marketing Management

Lecturer : Dr. Leul Girma



**European Institute of Innovation,
Entrepreneurship and Technology
Lessingstraße 79,
13158 Berlin, Germany.
Email: info@eiiet.com**

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Course & Class Information

Course: Business Strategy

Program: Master's in Business Administration (MBA)

Credits: 6 ECTS

Mode: Onsite / Blended

Class 3: Analytical Tools for Marketing Management

Lecturer : Dr. Leul Girma

Main Teaching & Learning Materials

Core textbooks

- Principles of Marketing, 17th GLOBAL Edition
- The Ultimate Guide to Digital Marketing
- Instructor lecture slides and notes
- Case studies and real-world examples
- Academic articles and selected readings



Objective and Learning Outcomes

To develop the ability to apply key analytical frameworks in marketing management, including **PESTEL**, **SWOT**, and **Porter's Five Forces**, and to understand their role in evaluating the market environment and supporting strategic decision-making.

By the end of this class, students will be able to:

- Apply the **PESTEL framework** to analyze macro-environmental
- Conduct **SWOT analysis** to evaluate internal and external conditions
- Analyze industry structure using **Porter's Five Forces**
- Identify key **opportunities and threats** in dynamic markets
- Integrate analytical insights into **strategic marketing decisions**

What is Analysis in Marketing?

Analysis in marketing refers to the systematic evaluation of **data**, **market conditions**, and **customer insights** to support informed **decision-making** and strategic planning (Kotler & Keller, 2016).

Key characteristics:

- Focus on **data-driven decision-making**
- Reduces **uncertainty** in marketing decisions
- Supports **problem identification**
- Enables **opportunity recognition**
- Guides **strategic planning**

Role of Analytical Tools

Analytical tools provide structured frameworks to assess the **market environment, competition, and organizational position**, enabling more effective **strategic decisions** (Johnson et al., 2017).

Key characteristics:

- Simplify **complex market information**
- Support **systematic analysis**
- Improve **decision accuracy**
- Identify **opportunities and threats**
- Enhance **strategic alignment**

Overview of Analytical Tools

Key **analytical tools** in marketing include **PESTEL**, **SWOT**, and **Porter's Five Forces**, each focusing on different aspects of the **business environment** and **strategy development**.

Key characteristics:

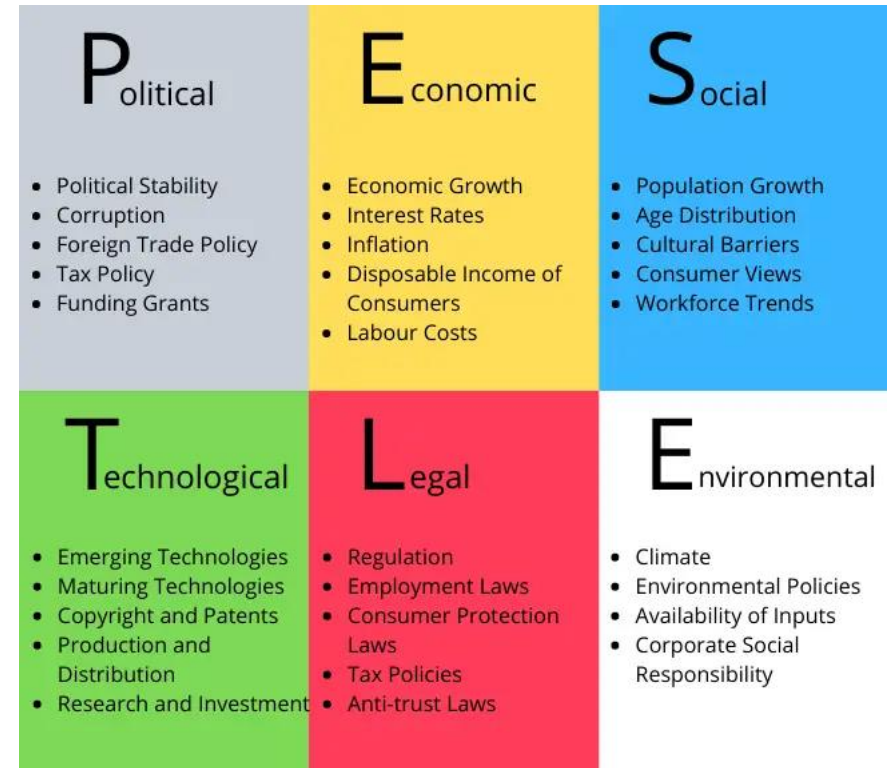
- **PESTEL** → macro-environment analysis
- **SWOT** → internal and external evaluation
- **Five Forces** → industry structure analysis
- Complement each other in **strategy formulation**
- Provide **holistic market understanding**

PESTEL Framework

The **PESTEL framework** analyzes **macro-environmental factors** influencing organizations, helping identify **opportunities** and **threats** in the external environment (Johnson et al., 2017).

Key characteristics:

- **Political** → government policies and stability
- **Economic** → growth, inflation, income levels
- **Social** → culture, lifestyle, demographics
- **Technological** → innovation and digital change
- **Environmental** → sustainability and regulations
- **Legal** → laws and compliance requirements



SWOT Analysis Framework

SWOT analysis evaluates a firm's **internal strengths and weaknesses** and **external opportunities and threats**, supporting strategic **decision-making** (Kotler & Keller, 2016).

Key characteristics:

- **Strengths** → internal capabilities
- **Weaknesses** → internal limitations
- **Opportunities** → external growth potential
- **Threats** → external risks
- Links analysis to **strategy formulation**

S Strengths • _____ • _____ • _____	W Weaknesses • _____ • _____ • _____
O Opportunities • _____ • _____ • _____	T Threats • _____ • _____ • _____

Porter's Five Forces Model

Porter's Five Forces analyzes **industry structure** and **competitive intensity**, determining market **attractiveness** and profitability (Porter, 2008).

Key characteristics:

- **Industry rivalry** among competitors
- **Threat of new entrants**
- **Bargaining power of buyers**
- **Bargaining power of suppliers**
- **Threat of substitutes**



Applying PESTEL in Practice

Factor	Examples to Consider
Political	- How do government policies affect your product/ service? - Are there political stability or trade issues?
Economic	- What economic trends influence demand? - How do, interest rates, etc. affect your marketing operations?
Social	- How demographics, lifestyle changes shaping customer needs? - Are consumer preferences shifting?
Technological	- What new technologies could impact your product/ service? - Is innovation changing how value is created?
Environmental	- What environmental regulations apply? - Are sustainability expectations increasing?
Legal	- What laws and regulations must the organization comply with? - Are there risks related to employment, competition, or safety?

Activity 1: PESTEL Analysis Canvas

PESTEL analysis evaluates **macro-environmental factors** influencing a product in a defined **market context**, identifying **opportunities**, **threats**, and required **strategic responses**.

Instructions:

1. Select a **product or service**
2. Define the **target market (country, city, time frame)**
3. Analyze each **PESTEL factor** in that context
4. Identify **positive (opportunities)** and **negative (threats)**
5. Propose a **strategic response** for each factor
6. Develop a **conclusion**: justify your decision by highlighting the most **significant factors** (positive and negative)

Data sources

- **Government reports** and policy websites
- **Industry reports** (Statista, McKinsey, Deloitte)
- **Market data platforms** (Eurostat, World Bank)
- **Company reports** and official websites
- **News and market insights** (Financial Times, Bloomberg)

1. Product / Service



2. Target Market

Country:

City:

Time Frame:

3. PESTEL Analysis

Factor	Key Insights	Positive Impact (Opportunities)	Negative Impact (Threats)	Strategic Response
Political				
Economic				
Social				
Technological				
Environmental				
Legal				

4. Conclusion

4.1 Most significant positive factors:

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4.2 Most significant negative factors:

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4.3 Final strategic decision (justify your choice):

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5. Data Sources

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Further reading

- Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pearson.
- Johnson, G., Scholes, K., & Whittington, R. (2017). *Exploring Strategy* (11th ed.). Pearson.
- Porter, M. E. (2008). *The Five Competitive Forces That Shape Strategy*. Harvard Business Review.
- Porter, M. E. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press.
- Grant, R. M. (2019). *Contemporary Strategy Analysis* (10th ed.). Wiley.

Thank you

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