Success and failure in marketing strategy making: Results of an empirical study across medical markets

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Abstract   This is the second in a trilogy of papers reporting on a five-year research project into marketing strategy making in medical markets. Following on from the weak marketing strategy observed in the first paper, this work explains the origins of marketing strategy process failure in terms of incongruence with market and organisational culture conditions. It concludes that any generic approach to marketing strategy making fails most companies, and that an organisationally tailored process is required.

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INTRODUCTION

This is the second paper of a trilogy[1] which seeks to contribute to the improvement of marketing strategy making in medical markets. For the purposes of this work, medical markets are defined as those markets in which the customer is a clinician or related professional or an associated organisation. It therefore includes pharmaceuticals, medical devices, diagnostics, medical equipment and other areas. This trilogy of papers arises from a five-year research project aimed specifically at this area and involving many leading companies in the sector. Although complementary and to some extent overlapping, the three papers attempt to answer three distinct questions, the relevance of which is emphasised by the maturation of the medical market:

- *How good is marketing strategy in medical markets*? Paper one presented an assessment of marketing strategy quality in medical markets against a set of context-independent quality criteria derived from the literature. Its conclusions were that marketing strategy in the sector was of variable quality and often very weak.
- *Why is marketing strategy in medical markets of variable quality*? Paper two considers the underlying reasons for variability in the quality of marketing strategy in medical markets and develops and justifies a model to explain that variability.
- *How might marketing strategy in medical markets be improved*? Paper three develops the empirical work into a management process by which to improve marketing strategy making in medical markets and to test the outputs of that process prior to incurring the costs and risks of implementation.

Given the weaknesses of marketing strategy observed in medical markets, reported in the first paper, this work attempts to develop a model to explain the variability in quality of marketing strategy

in medical markets. In particular this work seeks to understand the nature of process failure in marketing strategy making in medical markets. Its findings arise from a five-year study into the sector carried out as a PhD under Cranfield School of Management in the UK.

THE EFFECTIVENESS OF MARKETING STRATEGY MAKING PROCESSES

A definition of marketing strategy

'Marketing strategy' has the dubious honour of being one of the most abused terms in the lexicon of practitioners. Most frequently, it is used to refer to the tactical disposition of promotional resources. This work, however, uses the term 'marketing strategy' in the sense agreed by Drucker[2] and Mintzberg.[3] Hence, marketing strategy is that sustained pattern of resource allocation decisions that pertain to customers and propositions. In this sense, marketing strategy is defined as having two necessary components: a definition of the target 'market', and a statement of the 'product' or 'value proposition' aimed at that target. This dual-component view of marketing strategy is sufficient to differentiate marketing strategy from strategies relating to other, non-marketing functions, such as research and development or manufacturing, and from other non-strategy aspects of marketing management, such as tactical actions.

In the first paper of this trilogy, the extant literature was used to develop a context-independent set of properties by which the quality of marketing strategy might be measured. Using these properties as a benchmark, it was observed that the marketing strategy of many medical companies was weak, particularly in respect of target market definition, proposition tailoring, SWOT (strengths, weaknesses, opportunities and threats) alignment and strategy uniqueness. It was

these findings that led to the investigation of why such process failure occurs and what factors influence the effectiveness of marketing-strategy-making processes.

The hybrid nature of marketing strategy making processes

Although marketing strategy making is often misleadingly referred to as 'marketing planning', the strategy process literature shows that rational planning is in fact only one component of a complex hybrid process by which organisations create marketing strategy. Much of the strategy process literature, in both strategic marketing planning and the broader strategic management field, reflects the singular perspectives of individual researchers on strategy development. This single-perspective literature argues for the consideration of strategy development as, for instance, a rational, planned process or an incremental process. An admirable summary of this work is contained in the work of Bailey *et al*.;[4] the key dimensions of strategy development were identified as:

- *Command*: strategy deriving mainly from a key individual or top management team.[5–8]
- *Planning*: strategy deriving mainly from a logical, sequential, deliberate set of procedures.[9–13]
- *Incremental*: strategy deriving mainly from 'successive limited comparisons of alternative actions'.[14–17]
- *Political*: strategy deriving mainly from negotiated settlements between powerful sub-units of the organisation.[18–22]
- *Cultural*: strategy deriving mainly from the 'taken for granted' frames of reference shared in the organisation.[23–26]
- *Enforced choice*: strategies deriving mainly from the external forces and constraints acting on the organisation.[27–29]

These single-perspective schools of thought are also considered by Mintzberg,[30] who perceived strategy process as essentially a hybrid process and rationalised the single-perspective views as not incorrect but

simply one perspective on a very complex phenomenon. To quote Mintzberg (p. 372):

> 'Strategy formation is judgmental designing, intuitive visioning and emergent learning'

Mintzberg's work suggests that such single-perspective studies clearly elucidate the contribution that each dimension, such as planning or incrementalism, makes to strategy development. In doing so, however, they understate the complex nature of the multiple simultaneous processes that constitute strategy making in practice.

Building on single-perspective schools, other attempts to identify typologies or taxonomies of strategy-development processes in practice reflect a multiple-perspective view of these processes. These show an evolution in sophistication based upon recognising and incorporating the various schools of thought. Hence there are structures suggesting three,[31] four,[32,33] five,[34,35] and six,[36] modes of strategy development. Each of these pieces of work identifies a number of typologies of strategy development, each of which can be seen as hybrids, containing a blend of the single-perspective dimensions in varying ratios. While differing in terminology and complexity, this stream of research presents a coherent theme of strategy making as a hybrid process. These attempts to identify a taxonomy of strategy development processes are summarised below:

- linear, adaptive, interpretative[37]
- managerial autocracy, systemic bureaucracy, adaptive planning, political expediency[38]
- rational, transactional, symbolic, generative[39]
- command, rational, transactional, symbolic, generative[40]
- commander, change, collaborative, cultural, crescive[41]
- planning, logical incremental, planning command, muddling through, externally dependent, political cultural command.[42]

This evolution of academic thought indicates that strategy making is

Visionary command process

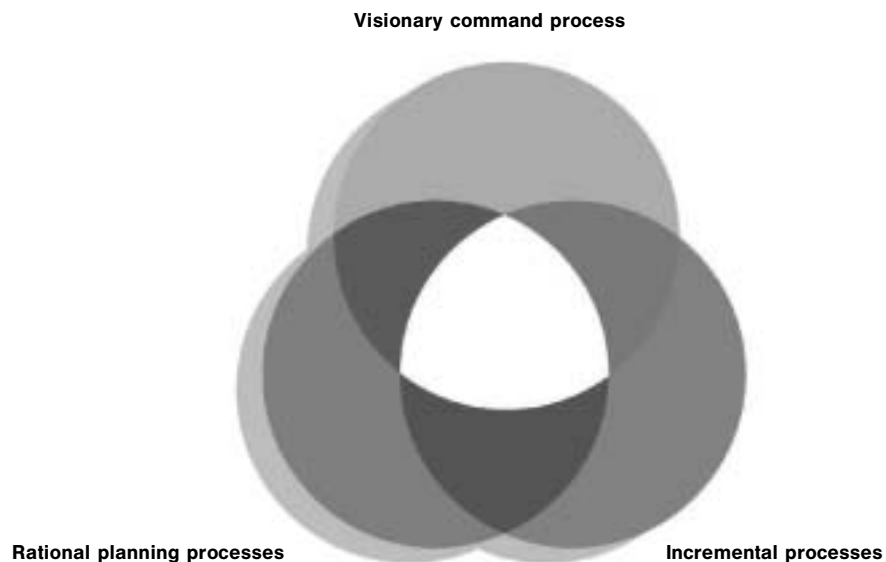**Rational planning processes**   **Incremental processes**

Figure 1: The three contributing processes of marketing strategy making
Source: McDonald (1996)

complex, involving multiple processes. Further, it suggests that each organisation, although broadly complying with one or other typology of strategy making process, has a unique process consisting of a singular combination of the various influences that go to make up the overall process.

While much of the strategy process literature relates to strategy making in general, a helpfully rationalised model of this hybrid strategy making process has been proposed for strategic marketing planning in particular.[43] This model (see Figure 1) envisages the development of marketing strategy as a blend of rational planning, visionary and incremental processes, analogous to the manner in which the three primary colours mix.

Hence the strategy process literature suggests that any attempt to understand the effectiveness of marketing strategy making processes must consider the hybrid composition of the process employed. Comparison of hybrid marketing strategy making process type to the properties of the resultant strategy might provide a better explanation of the effectiveness of marketing strategy making processes than measurement of any one dimension, such as planning. Such an explanation is still likely to be incomplete, however, incorporating as it does only the process and its outputs. A more valuable understanding is likely to include the context in which the process functions to create the strategy.

FACTORS AFFECTING THE EFFECTIVENESS OF MARKETING STRATEGY MAKING PROCESSES

Mediators of marketing strategy making process effectiveness

The published work in this area falls broadly into three categories:

- the extent to which strategic marketing planning is used
- the internal (organisational) mediators of marketing-strategy-making processes
- the external (market) mediators of marketing-strategy-making processes.

The following sections attempt to critically assess the literature in each of those areas.

The observed application of strategic marketing planning

A significant subset of the literature concerning the effectiveness of strategic marketing planning is that work which examines the actual level of application of these formal, rational processes.

Early studies of the degree to which companies adopted marketing as a strategic management process were encouraging. Hise,[44] for example, found that:

'1. To a large extent, both large and medium manufacturing firms have adopted the marketing concept.
2. The greatest degree of acceptance is found in the customer orientation of marketing programmes and in the organisational structure of the marketing department, particularly in the status provided the chief marketing executive.
3. Large firms are more fully committed to the marketing concept than medium ones. Although the difference is only slight as to some factors, a distinct pattern does exist.'

McNamara,[45] suggested that adoption was diffusing from consumer to industrial companies. These studies suggested that marketing was becoming central to business planning, although there were clear variations across industry sectors, company sizes and functional areas. Even among these earlier studies, however, there were indications that, while many firms espoused the values of marketing, their actual behaviour contradicted this.[46,47] The literature in this area gradually moved towards the conclusion that strategic

marketing planning was widely claimed but much less practised.[48–52] The aggregate view amongst researchers considering this area is consistent with the view of Martin[53] that:

> 'Corporate planning as advocated by the theorists is not practised in any developed form by large corporations'.

Further work went on to describe the realities of marketing planning, as compared to the espoused activity. This work described how rational marketing planning was subverted by less rational decision-making processes.[54–58] The consensus amongst these authors as to the deviation of actual marketing planning from the prescribed and espoused process is notable. Less clear is the mechanism underlying this deviation, although one piece of research does attempt to suggest a mechanism in behavioural terms.[59]

The related but more broadly based literature concerning strategic decision making reinforces the conclusion that rational planning, whatever its merits or otherwise as a prescription, is a 'poor description of reality'.[60–61] This conclusion has been fully supported by exploratory fieldwork for this study,[62] which shows that marketing practitioners in healthcare companies are generally unqualified and make little use of the tools of strategic marketing planning. Contrasting this, some researchers have recently suggested that strategic marketing planning is a thriving and popular process in many companies.[63] This work, based on self-administered postal surveys, is, however, open to significant criticism of its internal validity.

Some of the work in this area is open to the criticism that it is overly concerned with semantics. It could easily be argued that a strategic marketing plan that does not use the terminology and structure of the accepted texts is still a strategic marketing plan. Studies of the use of the most important tools in strategic marketing planning reinforce the impression that it is often honoured in name and abused in practice, however.

The first example of these criticisms lies in the use of segmentation, which is fundamental to strategic marketing planning. Strategically, segmentation is meant to be both customer driven and reflected in organisational structure. The reality is that most companies rely on customer categorisation bolted on to the customer contact part of the company.[64]

The second example concerns SWOT analysis, the central technique for aligning the internal and external environments and, therefore, defining the key issues to be addressed. Examination of practice reveals that, although widely quoted, the technique is usually reduced to a 'subjective listing exercise', identifying none of the key issues that are the intended output of the technique.[65,66] The abuse of these two fundamental tools suggests that the lack of commitment to prescriptive strategic marketing planning processes is a real phenomenon and not just a matter of semantics.

Further evidence of the real, and not just semantic, lack of use of the tools of strategic marketing planning is provided by a body of literature reviewed by Greenley & Bayus[67] and summarised in Table 1.

Critical assessment of this body of literature therefore concludes that the prescriptive rational model of strategic marketing planning is not an accurate description of what occurs in many organisations. Further, the literature supports the observation that planning is replaced or supplemented by non-rational processes. The literature concerning the actual use of rational planning does not, however, explain this low level of use. This is an important gap in our knowledge. The lack of use of planning is highly significant to this study of strategy

Table 1: The observed use of marketing planning techniques

Study	Country	Focus	Outline of results
Buzzell & Wiersema[68]	USA	Strategic planning	Limited use of formal planning methods
McColl-Kennedy & Keil[69]	Australia	Marketing planning	Awareness and usage of methods low
Greenley[70]	UK	Marketing planning	Only 24% use portfolio analysis; half use product life cycle (PLC) analysis
Haspelagh[71]	USA	Strategic planning	Only 45% use portfolio analysis regularly
Hopkins[72]	USA	Marketing planning	A quarter use portfolio analysis, only 13% use PLC analysis
Hooley *et al.*[73]	UK	Marketing planning	Half use SWOT analysis, a third use PLC, only a few use portfolio, profit impact of market strategy (PIMS), perceptual mapping and conjoint analysis
Reid & Hinckley[74]	UK/Hong Kong	Strategic planning	Little awareness of PIMS, portfolio and PLC analysis
Ross & Silverblatt[75]	USA	Strategic planning	Half use portfolio analysis regularly, and a quarter use PIMS regularly
Verhage & Waarts[76]	Netherlands	Strategic planning	15% use portfolio analysis, 27% use PLC with 62% using SWOT
Wittink & Cattin[77]	USA	Marketing planning	Limited use of conjoint analysis by market research (MR) consultants
Wood & LaForge[78]	USA	Strategic planning	Portfolio analysis used by 67% of sample

making effectiveness, and reinforces the hybrid process picture suggested by the strategy process literature (see Figure 1 above). If rational processes contribute to effectiveness but are not used, this suggests that they are limited in their utility rather than their effectiveness. This is a critical distinction. Taken together, the literature suggests that strategic marketing planning *can* work, but that organisations find it too difficult to use in practice. This is entirely consistent with a related stream of work calling for improvements in the marketing strategy process.[79–84] This stream of work calls, in particular, for the development of marketing strategy making processes to be more appropriate to the context in which they operate, pointing out that marketing is more context dependent than other disciplines and that its 'law-like generalisations' only still apply if the context has not changed.[85] This sentiment

is also echoed in the work that considers the antecedents and consequences of marketing strategy making:[86]

> 'Because environmental turbulence demonstrated a significant association with learning and market performance and moderated the relationship between situational analysis and performance, further research should examine other moderators and controls, such as market characteristics, as well as other dimensions of the environment, such as environmental munificence and complexity.'

Hence that part of the literature which considers the application of marketing planning supports two assertions: that marketing planning is not extensively used despite its contribution to effectiveness, and that the reasons for this seem to lie in the difficulty of application in the context of internal and external conditions. This suggests that future research should consider not simply the processes of

marketing strategy making and the content of the resultant strategy, but also the internal and external contexts in which the process operates. The extant literature concerning the relationship between marketing strategy making processes and their internal and external contexts is therefore considered in the following two sections.

Internal mediators of the effectiveness of marketing strategy making processes

Examples of, and reasons for, the failures of organisations to implement strategic marketing planning are well documented.[87,88] Broadly, these have been categorised as either 'cognitive' or 'cultural' barriers.[89] A more expansive classification of these barriers is given by one review work.[90] As well as culture, these authors cite management roles, management cognition (ie knowledge of marketing techniques), systems and procedures, resource allocation and data availability as moderators of rational planning use. Other researchers expand this work to include barriers across the organisation as a whole.[91,92] Ruekert & Walker,[93] in an attempt to develop a general framework from social systems theory and resource dependence models, conclude:

'Much of the horizontal interaction among departments is informal. Consequently, it is outside the prescribed structures of the organisation chart, the substantive content of the marketing plan and the formal authority of the marketing and other functional managers. Despite the informal nature of such interactions, however, their critical role in the successful implementation of marketing strategies is widely recognised'.

Researchers looking at how strategy making varies between organisations reinforce this conclusion. Investigations of strategic planning in small and medium enterprises (SMEs), for instance, point to lack of resources and knowledge as barriers to rational planning.[94–96] Systems, procedures and structures are also linked to the degree to which strategic planning can be used. In some organisational structures 'formal planning may cause internal contradictions and endanger and organisation's viability'.[97] Ruekert,[98] using different terminology but covering the same point, went further in saying:

'The degree to which an organisation can increase its market orientation is inextricably linked to the organisational structures, systems and processes created to sustain them'.

Other authors building on this work suggest, however, that these tangible reasons reflect fundamental differences in small firms' beliefs about themselves[99] and other cultural factors.[100]

More recently, empirical work by Marginson[101] examining the interaction between management control systems and strategy making has demonstrated that lower- and middle-management control systems have an important influence on strategy making:

'Findings suggest that belief systems influence managers initiation or 'triggering' decisions, the use of administrative controls affects the location of strategic initiatives and may lead to the polarization of roles, and simultaneous emphasis on a range of key performance indicators can create a bias towards one set of measures and against another'.

This work suggests a connection between beliefs and systems that is echoed by other researchers. While tangible factors such as systems or structures are acknowledged to affect strategy making, authors building on this work suggest that these tangible reasons reflect 'fundamental differences in small firms' beliefs about themselves'[102] and other cultural factors.[103]

Consistent with this theme of hindrance of strategy process by organisational cultural factors is that stream of work

concerned with the strategy making from the perspective of organisational discourse. This work, based on social systems theory, depicts the strategy process as 'a technological and appropriative social practice'[104] and strategic episodes as 'the effective locus of strategic practice and the interaction between strategic and operating routines'.[105] Using the social discourse perspective, some researchers have suggested that failures of organisational strategy making can be attributed to cultural factors, in particular:[106]

> 'We argue the failure in organisational strategising can be understood as resulting from the interplay of certain elements of organisational discourse and specific kinds of political behaviour'.

Thus two streams of literature suggest different ways in which internal factors mediate the performance of marketing strategy making processes. The earlier work suggests tangible factors such as systems and structures; the latter work suggests less tangible factors associated with organisational discourse. These views need not be mutually exclusive, however, and can indeed be seen as two aspects of one phenomenon if they are both, as is discussed next, regarded as artefacts of organisational culture.

The influence of organisational culture on marketing planning is the subject of a comprehensive stream of work by one author, Harris, and his colleagues. Investigating the interaction between culture and strategic marketing planning, he supports the idea that the cultural context is critical to the initiation and implementation of marketing planning.[107–114] This prolific body of work considers many different aspects of the culture/marketing planning interaction but is perhaps best summarised in the conclusions concerning one company:[115]

> 'The study finds that six entrenched values appear to have impeded the initiation of planning within

the company. These are: reactiveness, management activities and practice, compartmentalisation, short-term cost orientation, internal focus and stability'.

Thus, it is argued, various streams of work, each looking at internal mediators of planning performance, converge on the underlying significance of culture. The connection between tangible barriers to planning and the firm's beliefs, values and culture suggests that culture is a fundamental root cause for the ineffective implementation of strategic marketing planning. If tangible barriers, such as lack of resources and extant systems, are simply manifestations of organisational culture, then there is really only one internal barrier to strategic marketing planning, namely organisational culture. This tentative conclusion, based on the empirical observation of failures in strategic marketing planning, is reinforced by the organisational culture literature, as discussed in the following paragraph.

The literature concerned with organisational culture consists of two very different philosophical traditions. The first, essentially positivist, stems from the earlier body of literature on organisational climate,[116–117] and is strongly quantitative in its approach.[118–121] The second, essentially phenomenological, has its origins in anthropology[122,123] and claims sharp epistemological divisions with the quantitative approach. Despite this philosophical schism, there exists a core of agreement about the nature and significance of organisational culture. Both positivists and phenomenologists see culture as being 'a means by which the organisation aligns itself to the external environment'[124] and that it 'regulates internal transactions'.[125] Similarly, both schools see organisational culture as multi-layered.[126,127]

A second point of consensus exists between the positivist and phenomenological schools of

organisational culture. This is that culture is, as Drucker puts it, 'persistent and pervasive'.[128] Studies of organisational culture support the belief that the phenomenon is very difficult to manage.[129–131] Legge[132] holds the view that 'the empirical evidence supports the difficulty of cultural change' while Ogbonna[133] argues that much perceived cultural change is in fact 'resigned behavioural compliance', and not cultural change at all.

Where cultural change is achieved, it is usually the result not of dramatic change, but of managing the 'natural dynamic flux of culture' via the use of symbolism.[134] Even if organisational culture were open to easy manipulation, this risks lessening any positive aspects of the extant organisational culture,[135,136] decreasing organisational efficiency by increasing the intangible costs of internal transactions[137] and other unintended consequences of cultural intervention.[138]

Synthesising the culture and planning mediators' literature suggests both a cause and mechanism for the effectiveness of marketing strategy process. Strategic marketing planning, acting as an explicit process of alignment between the organisation and the market, necessarily interacts with organisational culture, an implicit process of alignment. Either positive or negative interaction may be expected. This interaction is seen via systems, structures and other cultural artefacts, but has its roots in the cultural assumptions that underlie those artefacts. Attempts to change organisational culture to support the marketing strategy making process are problematic. This suggests that the strategy process effectiveness might be linked to, and achieved by, adaptation of the process to the culture.

This concept of fit between marketing-strategy-making process and culture is well supported by other researchers. Some researchers either implicitly or explicitly recognise planning and culture as two parallel and interacting processes for internal/external alignment[139–141] and call for 'a culture-driven contingency approach'.[142] This is consistent with studies in the organisational behaviour literature, which also correlate the fit between the organisational culture and the planning process with organisational effectiveness:[143]

> 'All other things being equal, the greater the total degree of congruence between the various components (of an organisation) the more effective will be organisational behaviour at multiple levels'.

Also:[144]

> 'For better or worse a corporate culture has a major impact on a company's ability to carry out objectives and plans, especially when the company is changing strategic direction'.

Similarly, the idea of culturally congruent planning is consistent with theories that management skills are culturally specific[145] and that strategy formulation must recognise behavioural as well as mechanical aspects of organisational processes.[146] Other researchers, from different perspectives, have pointed to the observed importance of organisational culture to strategy formation and implementation,[147–149] without referring specifically to the alignment function of both the phenomenon and the management process. More specifically, the existence of appropriate organisational values as a prerequisite to marketing effectiveness has been identified,[150,151] and is at the root of the marketing orientation literature. This last body of work suggests a clear association between marketing orientation and performance.[152–157] The general tenor of this work is that market orientation is associated with superior performance, although the most recent work in this area suggests, however, that proponents of marketing orientation have addressed neither the methodological criticisms implied by the organisational

effectiveness literature nor the potential difficulties and risks of cultural intervention.[158] Finally, the concept that marketing strategy process is affected by the level of market orientation is supported by the work showing that both rational and incremental processes operate in market-oriented companies.[159]

Hence a very broad body of literature supports the idea that the effectiveness of marketing strategy making processes is related to its fit with the organisational context, at the root of which is pervasive and persistent organisational culture. This concept is not new. It was one of the conclusions of one of the earliest PhDs in strategic marketing planning.[160] A mismatch between culture and process would suggest at least a partial explanation for the limited adoption of a known contributor to organisational success. This consideration of internal factors is not likely, however, to be a complete explanation of marketing strategy making process effectiveness. To be so would imply that external market factors are of no importance. The importance of external market factors in mediating marketing strategy making processes is discussed in the following section.

External mediators of the effectiveness of marketing strategy making processes

Both the marketing strategy literature and the broader strategic management literature point to the need to consider external mediators and their impact on the effectiveness of strategy making processes. From the many possible dimensions of the market environment, two broad themes emerge as being especially relevant.

The first theme is the impact of market turbulence. Planning is noted to have *dysfunctional* effects in uncertain and inefficient markets.[161] Similarly, research in high-velocity environments indicates that 'planning formality may be negatively associated with performance'[162] (see also Eisenhardt[163] and Eisenhardt & Sull[164]).

The second theme is the significance of market complexity. This is supported by work showing the relationship between the comprehensiveness of planning and its effectiveness.[165–167] Many of the arguments concerning the impact of external context on marketing planning processes have been consolidated by Speed and his co-workers[168,169] who contend that 'external context affects decision character, decision process and decision outcome.' Supporting the importance of external factors from a slightly different perspective is work correlating planning to effectiveness in hostile environments and for 'mechanistic' cultures, while advocating emergent processes in benign environments and 'organic' structures.[170]

This stream of work suggests, therefore, that the effectiveness of strategy development processes is mediated by external market contingencies. Further, it suggests that market turbulence and market complexity are the two most significant external mediators of strategy process effectiveness. The consensus around this is indicated by the fact that this was the common ground in the debate between Mintzberg[171] and Ansoff.[172] This stream of work also gives some indication of the nature of appropriate fit, or congruence, between strategy making processes and market conditions; complexity is seen to favour rational planning while turbulence is seen to favour less rational approaches. This, however, is the limit of the conclusions that can be drawn from this work, which retains three important weaknesses.

The first weakness is that the work relating strategy process to effectiveness remains wedded to the measurement of organisational outputs rather than strategy process outputs, and thus fails to answer the criticisms associated with this

approach, as discussed earlier. Secondly, the empirical work does not allow for simultaneous internal and external mediation of the strategy making process, hence failing to distinguish between the effects of internal and external mediators. Thirdly, the work comes, almost entirely, from the perspective of proving or refuting the effectiveness of rational planning. It therefore tends to characterise strategy making processes along a simple planning/non-planning dimension. As the earlier section concerning hybrid strategy processes suggests, this is a simplistic approach to understanding actual marketing strategy making processes. The literature on external mediators of strategy making process effectiveness therefore suggests that external mediation occurs and indicates dimensions of process/market fit, but leaves unanswered important questions about the effectiveness of different strategy process hybrids in differing market conditions.

A contingency theory explanation of marketing strategy making process effectiveness

The work summarised and criticised above suggests that both internal cultural factors and external market factors impact upon the effectiveness of marketing strategy making processes. This clearly suggests that a contingency approach might be useful in understanding and explaining the effectiveness of marketing strategy making processes.

Contingency theory is, of course, a very broad approach covering numerous bodies of literature. Thompson[173] usefully describes the origins of the contingency approach as being the intersection of various streams of organisation theory including general systems theory, open systems theory and behavioural theory. Theoretical and practical contributions are seen to be derived from contingency theory through:

- identifying important contingency variables that distinguish between contexts
- grouping similar contexts based on these contingency approaches
- determining the most effective internal organisational designs or responses in each major group.

The approach has been used 'both implicitly and explicitly in much marketing research.'[174]

Relevant to this work, contingency approaches are seen as particularly useful in strategy research because they improve on the generalisability of single in-depth case studies, while providing greater depth than large-sample, statistically based work which de-emphasises contextual differences.[175,176]

Much of the research, criticised above, on the effectiveness and mediating variables of strategic marketing planning adopts the contingency approach. This body of work appears, however, to have two significant flaws when applied to understanding marketing strategy making processes in the context of the extant knowledge reviewed above. First, the work concerns itself with contingent dimensions of *either* the internal *or* the external environment in which marketing operates. This is at variance with the empirical findings discussed above that suggest that *both* internal *and* external contingencies impact on the effectiveness of marketing strategy making processes. Secondly, the work considers only one dimension of strategy process, that of its rationality or formality. This does not make sufficient allowance for the complexity of hybrid marketing strategy making processes.

One stream of that work does, however, suggest some ways in which the theory of marketing strategy process might be developed. One of the early seminal works in the contingency tradition of organisational theory (Lawrence & Lorsch[177]) developed from the concept of

the organisation as an open system, with interaction between its different sub-components. Based on this concept, the authors developed concepts of functional differentiation, specialisation and integration as bases of organisational effectiveness. Building on this work, other researchers from a sociological perspective developed the theory that management processes are most effective when they are congruent with *both* their micro-environment *and* the macro-environment:[178,179]

> 'Contingency theory postulates that the effectiveness of the organisation in coping with the demands of its environment is contingent upon the elements of the various subsystems which comprise the organisation being designed in accordance with the demands of the environment (or, more accurately, the sub-environments) with which they interact; this implies that that the elements of the different subsystems must be congruent in terms of the characteristics along each of the basic dimensions by which they are defined. We call this the congruency hypothesis'.

Interestingly, these researchers (Burrell and Morgan) reinforce the conclusions of the preceding parts of this literature review by making specific reference to market complexity and turbulence and to organisational culture as important dimensions of the external and internal environments.

This idea of effectiveness being a function of congruency, described by the above-mentioned researchers as the congruency hypothesis, represents a significant step forward in thinking from earlier, simpler work. Significantly, by including all of the sub-environments in which the organisational sub-systems operate, the congruency hypotheses incorporate the *simultaneous* importance of *both* internal *and* external contingencies to the effectiveness of any management process. The congruency hypotheses, when applied specifically to the process of

marketing strategy making, suggest a potential explanation for the effectiveness or otherwise of any strategy-making process. Namely, that the effectiveness of a marketing strategy making process is contingent upon its congruence with both the external market environment (macrocongruence) and the internal environment (microcongruence). Using both Burrell and Morgan's own ideas and those derived from the literature review, market complexity, turbulence and organisational culture seem to converge as the factors important to achieving congruence and therefore effectiveness.

In their favour, the congruency hypotheses allow for both the organisational and market contingencies suggested by the literature already discussed. Against this, they do not, specifically, suggest the dimensions of the internal or external environment of most importance to strategy making effectiveness. Nor do they specify the nature of success for that process. Nor does the literature contain empirical applications of Burrell and Morgan's hypotheses. Taken together with the preceding literature review, however, contingency theory, and specifically the congruency hypotheses of Burrell and Morgan, suggest a theoretical basis upon which an explanation of the effectiveness of marketing strategy making may be developed into a model of marketing strategy making process effectiveness that combines hybrid processes, internal and external mediators and the quality of marketing strategy in one comprehensive explanation. Further, the preceding literature review suggests that there are a number of areas in the literature in which the consensus is strong enough to suggest accepted extant knowledge upon which a putative model might be built. These are that:

• The content of a marketing strategy can be

defined and that the properties of a strong marketing strategy can be differentiated from those of a weak marketing strategy. Hence the construct of context-independent marketing strategy quality can be developed from the literature.

- The process of marketing strategy making is hybrid with multiple dimensions and therefore more complex that suggested by simple measures of planning formality. Hence the construct of the hybrid marketing strategy making process can be developed from the literature.
- The relationship between the nature of the hybrid marketing strategy making process employed and the properties of the resultant strategy are mediated by external market factors. Hence an externally mediated model of the relationship between strategy process and strategy properties is suggested by the literature.
- The relationship between the nature of the hybrid marketing strategy making process employed and the properties of the resultant strategy are mediated by internal, cultural factors. Hence an internally mediated model of the relationship between strategy process and strategy properties is suggested by the literature.
- The effectiveness of the organisational sub-system of marketing strategy making is dependent upon its congruency with both its internal and external sub-environments. Hence a model of the relationship between

strategy process and strategy properties that is both internally and externally mediated is suggested by the literature.

Taken together, these areas of extant knowledge can be taken to form a putative model to explain the relationship between the hybrid marketing strategy making process employed and the properties of the resultant marketing strategy. Such a model is illustrated in Figure 2.

As indicated above, the literature review suggests likely dimensions that might help to operationalise each of the constructs involved in this model.

- *Strategy quality*: can be seen as the degree or otherwise to which the marketing strategy has the properties of a strong strategy identified in the extant literature.
- *Strategy process*: can be characterised along three dimensions, namely the proportion of rational, command and incremental processes that go to make up the hybrid
- *External environment*: while undoubtedly a complex construct can, in part, be characterised along the two dimensions most frequently cited as impacting on strategy process effectiveness, namely market complexity and market turbulence.
- *Internal environment*: while also a complex construct, can in part be characterised as those artefacts of organisational culture
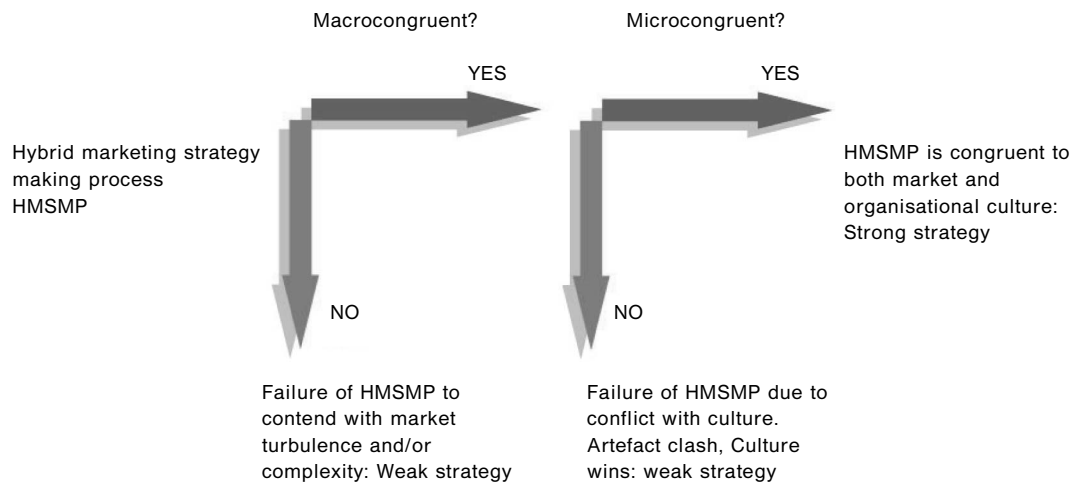

Figure 2: Combined congruency model

most frequently cited as impacting on strategy process effectiveness, namely structures, systems and organisational habits.

- *Macrocongruence*: can be characterised as the degree to which the strategy making process manages the external environment, in particular, the degree to which the process manages market complexity or turbulence. Conversely, macroincongruence can be seen as the degree to which the strategy making process *fails* to manage market complexity or turbulence.
- *Microcongruence*: can be characterised as the degree to which the strategy-making process is supported by the internal environment, in particular, the degree to which the process is supported by cultural artefacts such as systems and structures and other organisational habits. Conversely, microincongruence can be seen as the degree to which the strategy making process is *hindered by* those artefacts.

This model, then, imperfectly characterised as it is, formed the basis of the research questions and propositions to follow and was the basis for operationalising the research.

Research questions and methodology

The objective of this research was to test and develop the combined congruency model described above. This was operationalised in relation to the research question:

Do the congruency hypotheses of Burrell and Morgan apply in the context of marketing strategy making processes?

Hence four propositions were developed:

- *Proposition P1*: The degree to which an organisation's marketing strategy exhibits the properties associated with a strong strategy is proportional to the extent to which microcongruence (between strategy process and internal environment) and macrocongruence (between strategy process and market environment) are exhibited.

If supported by the research, this first proposition would provide support for the applicability of the congruency hypotheses in this context. It would not, however, provide conclusive proof of the hypotheses in this context.

As with all research, the issue of verification and falsification arises, as described by Popper, and summarised by Easterby-Smith *et al.*[180]

For purposes of testing the theory, therefore, it is also useful to consider alternatives to this proposition that would, if supported, disprove or modify the congruency hypotheses. These would include:

- *Proposition P2*: The degree to which an organisation's marketing strategy exhibits the properties associated with a strong strategy is unrelated to either microcongruence (between strategy process and internal environment) or macrocongruence (between strategy process and market environment).

This second proposition would be consistent with the views of those, such as prescriptive planners, who hold that one single type of strategy making process produces the strongest strategy.

Another alternative proposition would hold:

- *Proposition P3*: The degree to which an organisation's marketing strategy exhibits the properties associated with a strong strategy is related to the degree to which microcongruence (between strategy process and internal environment) is exhibited but not to the degree to which macrocongruence (between strategy process and market environment) is exhibited.

This third proposition would be consistent with the views of those who see organisational culture as the dominant, perhaps overriding, factor in determining the effectiveness of marketing strategy making processes.

Conversely, a fourth proposition by which to test the theory that both types of congruence are necessary would be:

- *Proposition P4*: The degree to which an organisation's marketing strategy exhibits the properties associated with a strong strategy is related to the degree to which macrocongruence (between strategy process and market environment) is exhibited, but not the degree to which microcongruence (between strategy process and internal environment) is exhibited.

This fourth hypothesis would be consistent with the views of those who see external market contingencies as the dominant, perhaps overriding, factor in determining the effectiveness of marketing strategy making processes.

The research methodology employed is fully described in the first paper of this trilogy[181] and in the PhD thesis resulting from this work.[182] The companies examined are summarised in Table 2.

RESEARCH FINDINGS

An overview of the results is shown in Table 3.

The companies studied were observed to work in a variety of market environments of varying complexity and turbulence, as

Table 2: Respondent overview

Case	Company description	Respondents
A	The UK subsidiary of a global in-vitro diagnostics company, specialising in one type of technology	Marketing and Sales Director, Sales Manager, Marketing Manager
B	The UK headquarters of a global medical device company, part of a larger conglomerate	Commercial Director, Sales Manager, Marketing Manager
C	The UK headquarters of a mostly UK medical disposables company	Managing Director, Sales Director, Marketing Director
D	The UK sales and marketing subsidiary of a global pharmaceutical company, specialising in one therapeutic area	General Manager, Sales Director, Marketing Director
E	The global headquarters of a first-rank pharmaceutical company, with many therapeutic areas	Sales Director, Marketing Director, Business Development Director
F	The UK sales and marketing subsidiary of a first-rank pharmaceutical company, with many therapeutic areas	General Manager, Sales Director, Director of Strategic Planning, Financial Controller
G	The UK headquarters of a first-rank pharmaceutical company, with many therapeutic areas	Business Information Director
H	The UK headquarters of a small medical equipment company, part of a larger multinational group with global interests	Marketing Director, International Sales Manager, UK Sales and Service Manager.
I	The UK headquarters of a medium-sized medical equipment company, part of a larger multinational group with global interests	Managing Director, Marketing Director, Sales Director
J	The UK Sales and Marketing subsidiary of a first-rank pharmaceutical company, with many therapeutic areas	General Manager of Hospital Division, Group Product Manager
K	The UK headquarters of a first-rank medical disposables company with global interests	Marketing Manager, Internal Product Manager, UK Product Manager
L	The UK sales and marketing subsidiary of a first-rank medical devices company	General Manager, Sales Manager, Marketing Manager
M	The UK sales and marketing subsidiary of a second-tier global pharmaceutical company	General Manager, Marketing Manager, Sales Manager
N	The UK sales and marketing subsidiary of a first-rank medical devices and pharmaceutical company	General Manager, Business Development Manager, Marketing Manager
O	The UK headquarters of a small medical equipment company	Managing Director, Sales and Marketing Director, Marketing Manager
P	The UK Sales and Marketing subsidiary of a first-rank pharmaceutical company, with many therapeutic areas	Marketing Director
Q	The UK sales and marketing subsidiary of a second-tier pharmaceutical company, with many therapeutic areas	Marketing Director, Sales Manager, Medical Director
R	The UK sales and marketing subsidiary of a second-rank medical devices and pharmaceutical company	Sales and Marketing Director, Sales Manager, Medical Affairs Manager

Table 3: An overview of the research results

Case	Implications for congruency hypotheses	Strategy quality	Strategy process	Market conditions	Microcongruence	Macrocongruence	Supporting and hindering cultural artefacts
A	Supports	Strong. Motivator targeting within a defined market. Complex, tailored augmented product.	Command plus incrementalism.	Stable and simple.	Yes. Slight signs of financial control strain due to preparations for initial public offering (IPO).	Yes. Slight signs of strain due to international complexity.	Planning hindered by product-led culture and accompanying technical skill sets. Incrementalism supported by human resources (HR) policies and blame reduction symbolism. Command supported by role demarcation and acceptance, hindered slightly by IPO-driven demands reducing trust.
B	Supports	Weak. Proposition tailoring to a very limited degree. Failure to segment, despite deliberate effort.	Planning and some incrementalism (change from formerly strongly command).	Complexity arising from both breadth of market and international variation. Moderate turbulence, arising mostly from changes in customer processes.	No. Remnants of command culture hinder feedback and management information system (MIS) usage.	No. Signs of both complexity and turbulence incongruence.	Planning enabled by formal qualifications, resource allocation to research, top-level commitment and IT systems. Planning hindered by primacy of hard data assumptions, lack of system use and lack of feedbacks, due to cultural lag from command culture.
C	Supports	Very weak. No indication of segmentation. Little targeting.	Strongly command, with some incrementalism.	Complexity arising from spread of businesses. Stability due to mature markets.	Yes. Very strong shared assumptions within small top management team.	No. Failure to grasp complexity of variances between sectors and segmentation within sectors.	Command process supported by small management team with similar backgrounds and historical habit of command acceptance. Incrementalism limited to small decisions.
D	Supports	Strong. Motivator targeting within a defined market. Complex, tailored augmented product.	Command plus incrementalism.	Stable and simple.	Yes. Role demarcation, autonomy and acceptance of central command.	Yes. Slight signs of international complexity strain.	Command supported by role demarcation and acceptance. Incrementalism supported by low staff turnover and actively managed culture.

Table 3: An overview of the research results (contd.)

E	Supports	Strong. Good understanding of segments. Good proposition tailoring.	Relatively even hybrid of all three processes.	Complexity arising from multiple sectors and international variations. Moderate turbulence arising from changes in customer processes.	Yes. Very deliberate cultural change and internal communication process led by changes in senior management.	Yes. Sampling at HQ level may hide some international complexity incongruence.	Planning supported by senior appointments from outside industry, formal training and extensive internal communication processes. Incrementalism supported by culture of encouraging suggestions, reduction in 'quantifying' justification of smaller decisions.
F	Supports	Weak. No indication of real segmentation or targeting except at sales team level.	Command plus incrementalism.	Complexity. arising from multiple sectors. Moderate turbulence arising from changes in customer processes.	No. Command type culture hindering incrementalism.	No. Failing to grasp market complexity.	Command supported by acceptance and quantitative management information systems. Incrementalism hindered by reluctance to act independently (remnants of command culture). Recent attempts to introduce more planning not yet visible. Interesting example of cultural lag between leaders and subordinates, with subordinates retaining command mentality.
G	Partially supports	Moderately strong. Targeting weak. Proposition and SWOT alignment moderate.	Command and planning. Intended incrementalism neutralised by culture.	Market complexity arising from multiple sectors. Stable with recent local turbulence from changes in customer processes.	Yes. Limits on micro-congruence to incrementalism.	Yes. Limits on managing turbulence due to hindered incrementalism.	Planning supported by clear processes and command framework. Command supported by frequent interconnects between local and higher processes, plus acceptance. Incrementalism hindered by size, bureaucracy and flat structures.

Table 3: An overview of the research results (contd.)

H	Supports	Strong. Product defined target but homogeneous niche. Proposition leverages competencies well.	Strongly command plus incrementalism by governing cabal.	Simple and stable international complexity a recent addition.	Yes. Strongly microcongruent inherited from family founder. Evidence of recent transition in culture.	Yes. Only within home market; evidence of international problems.	Command supported by history and stable staff, strong cohesion and enculturation in management team. Incrementalism enabled by closely related product development and high levels of focused expertise. Rationalism hindered by embedded fears of costs such as research. Indications that command is vulnerable to turnover of key staff.
I	Supports	Strong. Well-defined targets in a tight niche. Complex augmented proposition.	Mostly planning, within a command framework, some promotional incrementalism.	Internationally complex and stable. Anticipated discontinuous change not yet realised.	Yes. Planning oriented central cabal with strong leader.	Yes. Seems to cope well with complexity. Unrealised fear of discontinuous IT change.	Planning supported by committed leadership, formal training and belief in tools. Command supported by role demarcation and autonomy. Incrementalism hindered by R&D complexity, supported by measurement and feedback.
J	Supports	Strong. Exceptional use of segmentation. Good use of proposition tailoring.	Strongly planning within a command framework, plus topical incrementalism to manage localised turbulence.	Market complexity from multiple sectors. Mostly stable with localised turbulence from changes in customer processes.	Yes. Planning well established and acceptance of command from international headquarters.	Yes. Copes well with market complexity and manages local turbulence with formalised incrementalism.	Planning supported by formal processes, designed by consultant. Cross-functionalism, driven by needs of larger company.
K	Supports	Weak. No indication of segmentation or proposition targeting.	Espoused planning, but apparently strongly command via 'planning' processes and political incrementalism.	International complexity and stability.	No. Command process isolated from implementers.	No. Fails to cope with complexity of segmentation and international variance.	Command supported via tight financial controls and close monitoring by 'barons'. Planning disabled by planners' 'isolationism and rigid communication.

Table 3: An overview of the research results (contd.)

L	Supports	Strong. Motivator sub-segmentation in a tight niche. Tailored proposition including strategic partnering.	Strongly command plus local incrementalism for the augmented proposition.	Simple and turbulent relatively young in PLC.	Yes. Clear acceptance and demarcation.	Yes. Helped by US leadership of global market.	Command enabled by acceptance of US leadership for core technology, global market homogeneity and demarcation of augmented proposition building. Incrementalism supported by HR recruitment and retention policies.
M	Supports	Weak. No indication of segmentation or proposition tailoring except marginally at sales level.	Command plus some limited local incrementalism. Very recent attempts to introduce planning.	Moderate market complexity Stable with small amounts of local turbulence from changes in customer processes.	Yes. Clear command culture Some small indications of that limiting incrementalism.	No. Clear indications of failure to grasp segmentation and international complexity.	Command process supported by product-led culture and accompanying skills Incrementalism partly disabled by lack of demarcation. Recent attempts at planning, hindered by cultural lack of communication.
N	Partially supports	Moderately weak. No real segmentation Good tailoring of propositions.	Command and local incrementalism with some limited indications of planning at sales level only.	Market complexity moderated by divisional-isation Moderate turbulence in customer processes.	Moderate. Indications of some micro-incongruence in all three directions.	Moderate. Indications of command failing to cope with international complexity and incrementalism failing to cope with discontinuous changes.	Command supported by US market leadership and extant management information system. Incrementalism hindered by data primacy assumptions. Planning hindered by product-led culture.
O	Supports	Very weak. No indication of segmentation or targeting.	Strongly command with some limited incrementalism.	Market complexity arising from multiple channels and segments. Stability arising from mature segments.	Yes. Strongly command with autocrat and venture capitalist pressure.	No. Failure to cope with market complexity.	Command supported by autocrat and external venture capital pressure, strong financial control. Incrementalism hindered by tight control and financial primacy.
P	Supports	Weak. No indication of segmentation or proposition tailoring.	Espoused mixture, but appears very command with planning as a command tool.	Market complexity arising from multiple sectors Stable apart from some customer process changes.	Yes. Strong centralised command culture.	No. Failure to cope with market complexity.	Command supported by formal international processes. Planning formalisation appears to support command rather than rationality.

Table 3: An overview of the research results (contd.)

|							
Q	Supports	Strong. Unusual segmentation and proposition. Intelligent SWOT alignment.	Even mixture of all three processes. Recently developed from command plus incrementalism.	Complex. Moderate turbulence. Complexity recently and rapidly developed by acquisition. Turbulence arising from customer process changes.	Yes. Interesting mirroring of cultural change with process change.	Yes. Turbulence congruence always been good, complexity congruence now improved by new process.	Command supported by acquisition, product process and demarcation. Planning supported by senior champions, formal skills and explicit internal communication. Incrementalism restricted to augmented proposition and supported by HR policies.
R	Supports	Weak. No indication of segmentation, proposition tailoring, SWOT alignment or uniqueness.	Strongly command for core product and incremental for service element.	Simplicity created by divisionalisation. Stable but with some customer process changes.	No. Both processes hindered by heterogeneous culture.	No. Command failing to cope with international complexity and incrementalism failing to keep pace with customer changes.	Command hindered by lack of demarcation and local resistance. Incrementalism hindered by weak communication and bureaucracy.
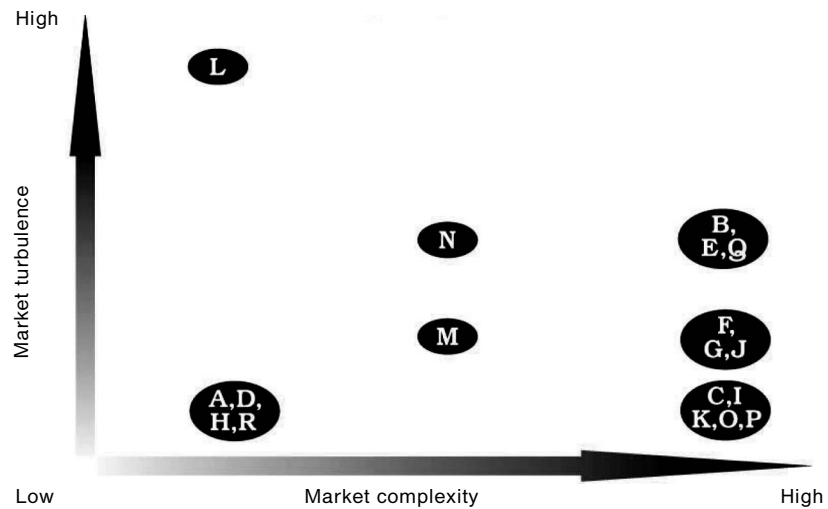
Figure 3: Distribution of cases in terms of relative market complexity and market turbulence

summarised in Figure 3. A bias towards stable markets was observed, however, which may be an artefact of the technically complex, heavily regulated nature of medical markets. The case study companies exhibited varying degrees of macrocongruence and microcongruence, as shown in Figure 4. Further, notable variations in marketing strategy quality were noted, as shown in Figure 5.

CONCLUSIONS

The findings described above support or refute the propositions as follows:

Proposition P1

These findings uphold proposition P1. All of the cases which exhibited the properties of a strong strategy also exhibited both macrocongruence and microcongruence. These were cases A, D, E, H, I, J, L and Q.
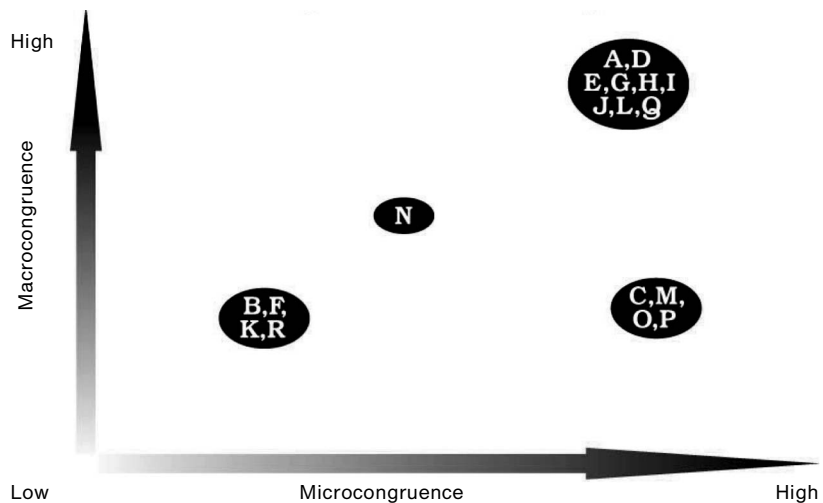

Figure 4: Distribution of cases in terms of macrocongruence and microcongruence
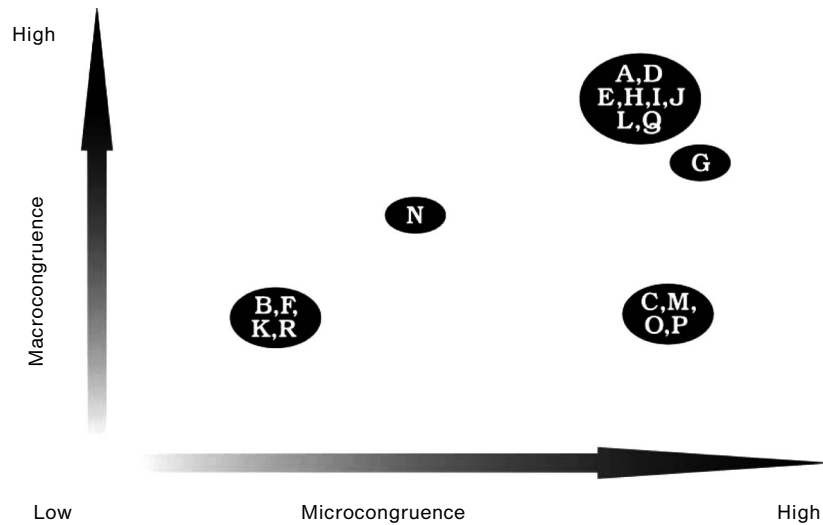
Figure 5: Strategy quality in relation to macrocongruence and microcongruence

By contrast, those cases which exhibited the properties of a weak strategy also exhibited a lack of either macrocongruence or both microcongruence and macrocongruence. These were cases C, M, O and P (lacking macrocongruence) and B, F, K and R (lacking both).

It is of interest that, while some cases which exhibited microcongruence lacked macrocongruence, the reverse was not found. In other words, no cases were found where the hybrid marketing strategy making process was congruent to the market without being congruent to the organisational culture. This might suggest that microcongruence is in some way an antecedent of macrocongruence. This study was not designed to examine this issue, and the findings do no more than suggest an association between the two phenomena, but it remains an interesting point.

Only two cases did not fully support proposition P1. Case G, which exhibited both microcongruence and macrocongruence, showed only a moderately strong strategy. No immediate explanation of this partial lack of support with the congruency is supported by the data. It must be borne in mind, however, that case G offered only a single respondent and cannot therefore be considered wholly reliable. Case N, offering three respondents, demonstrated mid-range values in each of the three variables (strategy quality, macrocongruence and microcongruence). While this does not refute proposition P1, nor does it fully support it.

The three other propositions offered are intended to falsify the congruency hypotheses, and are based upon other strands of the extant literature.

Proposition P2

Proposition P2 is intended to represent the position of those, such as prescriptive planners, who hold that one single type of strategy making process produces the strongest strategy, irrespective of the internal or external context in which it operates.

The findings of this work do not uphold this proposition. In addition to the strong correlation between strategy quality and combined congruency described above in support of P1, the lack of association between the type of hybrid marketing

strategy making process and strategy quality refutes P2. Strong strategies were noted in cases with command and incremental processes (A and D), strongly command processes (H and L), planning and incrementalism processes (I and J) and three-way hybrid processes (E and Q). Weak strategies were noted in cases of command and incremental processes (F, M and R), strongly command processes (C, K, O and P), and planning and incremental processes (B). Hence these findings do not support the universal use of any single hybrid marketing strategy making process, whatever its nature. Rather, these findings indicate that strategy quality is not simply a function of the hybrid marketing strategy making process but is indeed contingent upon the internal and external environments in which the process operates. Proposition P2 is not therefore upheld by these findings.

Proposition P3
Proposition P3 is intended to represent the position of those who see organisational culture as the dominant, perhaps overriding, factor in determining the effectiveness of marketing strategy making processes. Such a position minimises the importance of the external, market environment.

These findings do not uphold this proposition. Positive support for P3 would be provided by cases that exhibited microcongruence without macrocongruence and had strong strategies. Four cases (C, M, O and P) exhibited microcongruence but did not exhibit macrocongruence. All of these cases had strategies which were weak. By contrast, those eight cases (A, D, E, H, I, J, L and Q) which exhibited microcongruence and also exhibited macrocongruence all had strong strategies.

In addition to strong strategies in cases of microcongruence without macrocongruence, there is another set of

possible conditions that might provide negative support for P3. This would be the existence of weak strategies in cases of macrocongruence without microcongruence. No cases of that type existed in the sample, however. Hence proposition P3 is not upheld by these findings.

It is interesting that the majority, 12 out of 18 cases, exhibited microcongruence. This is partially supportive of those who see strategy process as largely an artefact of organisational culture. Such a culture-dominant view would hold that the organisational culture either leads to the strategy process or moulds it to fit with the culture. This would appear to be the situation in many of the cases (A, C, D, H, I, L, M and P). A minority of the cases exhibited evidence of having adapted the organisational culture to fit the strategy process (E, I, J and Q) however. A notable characteristic of all four of these examples of cultural adaptation is the deliberate and explicit manner in which it was achieved. The four cases exhibiting lack of microcongruence are also consistent with partial support for the culture-dominant view. Two of those cases (B and F) were attempting to use a hybrid marketing strategy making process that was different from that which had been historically prevalent in their organisation and had failed, as yet, to achieve the necessary adaptations to the organisational culture. The remaining two (K and R) both showed noticeable cultural heterogeneity or unevenness between headquarters and subsidiary cultures. Any process operating across an uneven culture might be expected, to some extent, to exhibit lack of microcongruence. Hence a consideration of the importance of microcongruence to strategy process would not support the view that fit between strategy process and culture is the dominant factor influencing the effectiveness of that process. It would,

however, support the view that culture is likely to drive or mould strategy process unless deliberate steps are taken towards adaptation of culture.

Proposition P4

This fourth proposition, P4, would be consistent with the views of those who see external market contingencies as the dominant, perhaps overriding, factor in determining the effectiveness of marketing strategy making processes. Such a position minimises the importance of the internal, organisational culture, environment.

The findings neither uphold nor refute this proposition. Support or contradiction for proposition P4 would require the existence of cases which exhibited macrocongruence but not microcongruence. The existence of a strong strategy in such cases would provide support for P4. None of the 18 cases demonstrated macrocongruence without microcongruence, however. Such lack of positive evidence, however, does not contradict P4. Negative evidence is provided by those four cases (B, F, K and R) which lacked macrocongruence and microcongruence and had weak strategies. This does not, however, constitute support for P4. Hence these findings, due to gaps in the sample, neither fully support nor entirely contradict this final proposition.

Overall

Taken as a whole, a consideration of the four propositions provides qualified support for the congruency hypotheses. In the same way, they support the combined congruency model that is the graphical expression of the hypotheses.

The findings are not entirely conclusive. It remains possible that only macrocongruence is significant in determining the effectiveness of hybrid marketing strategy making process. Since the findings provided positive and negative

examples not only of macrocongruence but also of microcongruence it seems most likely, however, that mechanisms exist whereby both the external market environment and the internal cultural environment moderate the effectiveness of hybrid marketing strategy making process. Hence these findings support Burrell and Morgan's congruency hypotheses[183] in the context of marketing strategy making. The slight qualification of this support can be explored and better understood by a consideration of the mechanism of microcongruence and macrocongruence suggested by these findings, and discussed in the third paper of this series.

Discussion and implications for practitioners

The work described in this second paper represents a useful synthesis of other researchers' work into a model which is then tested and found to be a valid explanation of why some marketing strategy processes succeed while others fail, resulting in a weak marketing strategy.

The primary conclusion suggested by this model is that no one approach to making marketing strategy is appropriate to all situations. This is an important and fundamental point. Business schools, consultants and trained practitioners almost always advocate a single model (that of rational planning) for the development of strong strategies. This work suggests that such an approach will only create a strong strategy in certain contexts of market conditions and organisational culture. For many if not most organisations, a marketing strategy making process that is not organisationally specific is likely to lead to a weak strategy. This implies that the organisation will fail to meet its business objectives unless it is in the fortunate situation of having weak competition or unusually favourable market conditions.

The further implication of this work is

that, rather than adopt a generic marketing-strategy-making process, organisations would be better served to develop an organisationally tailored process. The more detailed findings of this work provide a framework for how this might be achieved in practice, and this is the subject of the third paper in this trilogy.

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