

SA2: The Importance of Internal Marketing Environment

The internal marketing environment refers to inside the organization itself, to help design an appropriate marketing strategy based upon the position and resources of the firm.

When analyzing the internal marketing environment, we would consider resources, capabilities, corporate culture, management style and leadership, track record of success, current strategy, and so on.

However, it is often common that firms neglect an internal marketing environmental analysis and instead focus on the microenvironment almost exclusively.

The microenvironment consists of consumers, competitors, suppliers, distributors – the players that make up the industry in which the firm competes. Marketing strategies tend to be built around consumer needs and competitors – but is this the right approach?

Please answer the following questions:

1. In your opinion, to what extent does the firm's marketing strategy need to be based upon the firm's internal environment?
2. Why do you think firms tend to focus more heavily on the microenvironment to structure and design their marketing strategy?
3. If firms rely solely upon the microenvironment for their marketing strategy development, with this mean that all firms would end up very similar marketing strategies?
4. Think about the components of a SWOT analysis. Where would the internal environment most likely be represented in the SWOT?