

Marketing Management Elements

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Abstract. The article takes as a starting point several complementary definitions of marketing. Also present several key points related to marketing policy: defining the position that the company will occupy on the market with respect to competition, fixing the image with what will approach the market, achieving a balance between turnover rates profit and expenses as a condition for the survival of the company. In below article it is proposed an original concept of marketing management. This concept takes into consideration on the one hand correlations between company position in the market definition and on the other hand the image received by customers. The ultimate goal of this original concept of marketing management is to ensure an effective balance between: the turnover rate of profit and expenses of the company.

1. Introduction

As Stanton and Miller, [1] „Marketing is a whole system of economic activities related to pricing, promotion, distribution of products and services designed to meet the requirements of actual and potential consumers“.

As Marcu, Semenescu and Ioana, [2] "The complete definition of marketing should take into account that marketing is related more to the concept. Is a matter of attitude and action. Marketing concept or vision is addressing to marketing as a system of ideas in order to satisfy the customers and consumers. "

On the most general plan, conceptual approach to marketing is done through marketing policy. Marketing policy is a concept that integrates the functions of the enterprise with which they can reach their market through the mobilization and allocation of all resources for this purpose [3]

The concept of marketing policy and his role in market economy can be understood only if it takes into consideration the following key elements [2-5]:

- Defining the position on the market that the company will have in balance with the competition;
- Fixing the perception of the company on the market.
- Making a balance between turnover and profit rates and expenses as a condition for surviving on the market.
- Determine the optimal reports between offer and what is the company actual doing on the market with internal and external sources.
- Relationships that are established between all the participants to the company life and marketing policy.

Marketing policy can be:

- General – When takes into account entire marketing strategy at corporate level;
- Specific – when has specific points related to objectives and specialized points of view from the expertise.



In the actual economical market conditions, a company cannot survive and evolve only if have efficient relations with all the economic factors from the areas it is performing, first of all with their consumers

2. About Marketing Management

In figure 1 it is presented one of the first marketing concept.

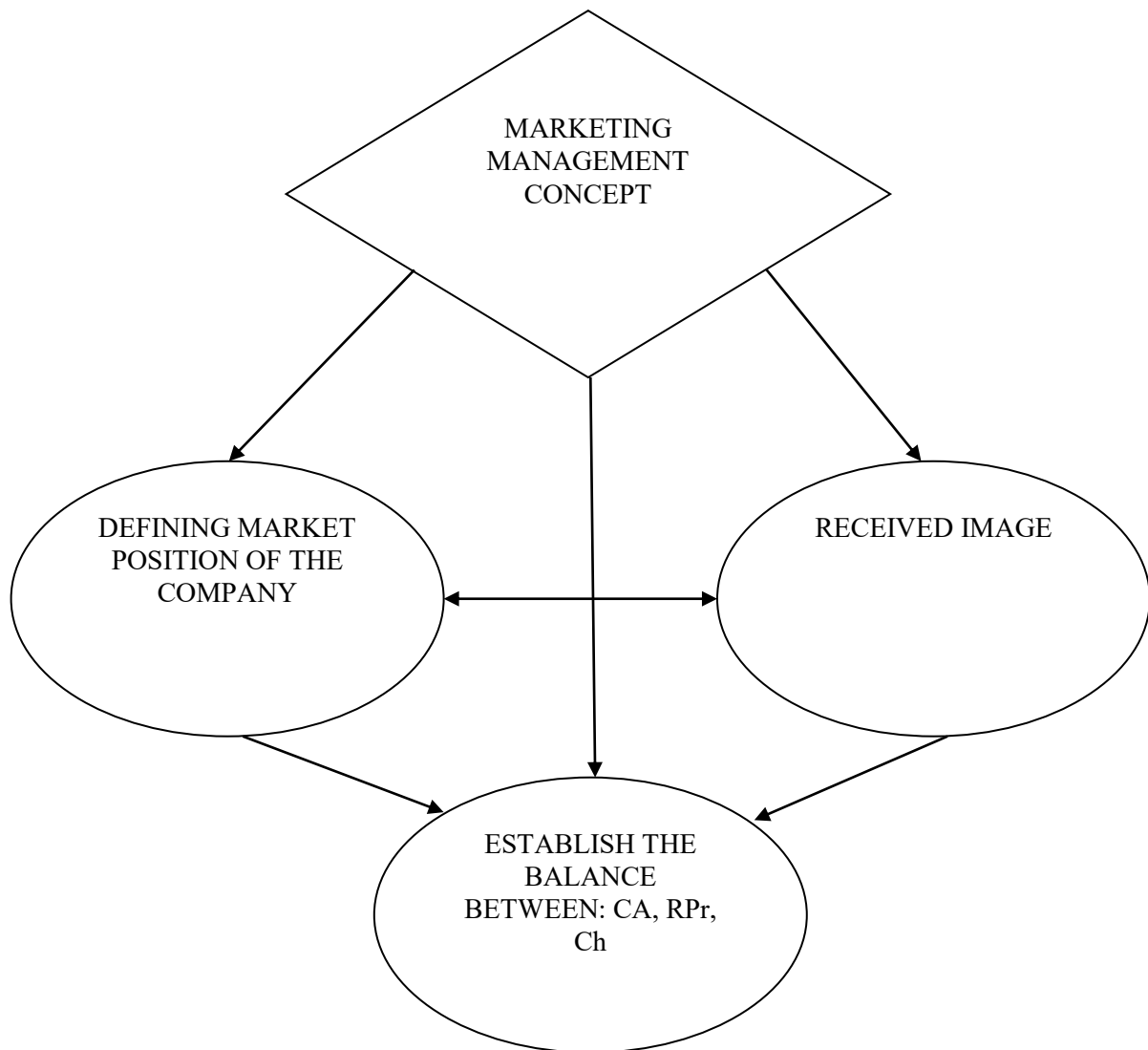


Figure1. Marketing management concept
CA – Turnover; RPr – Profit rate; Ch - Expenses

Marketing strategy is the general line, the orientation which the enterprise wants to follow in marketing environment in order to set the long term objectives. In order to be accurate, marketing strategy needs to consider the following concepts: existence, characteristics, structure of things that the company has in her disposition to achieve their goals.

Below, in figure 2, it is presented the perception of a marketing strategy.

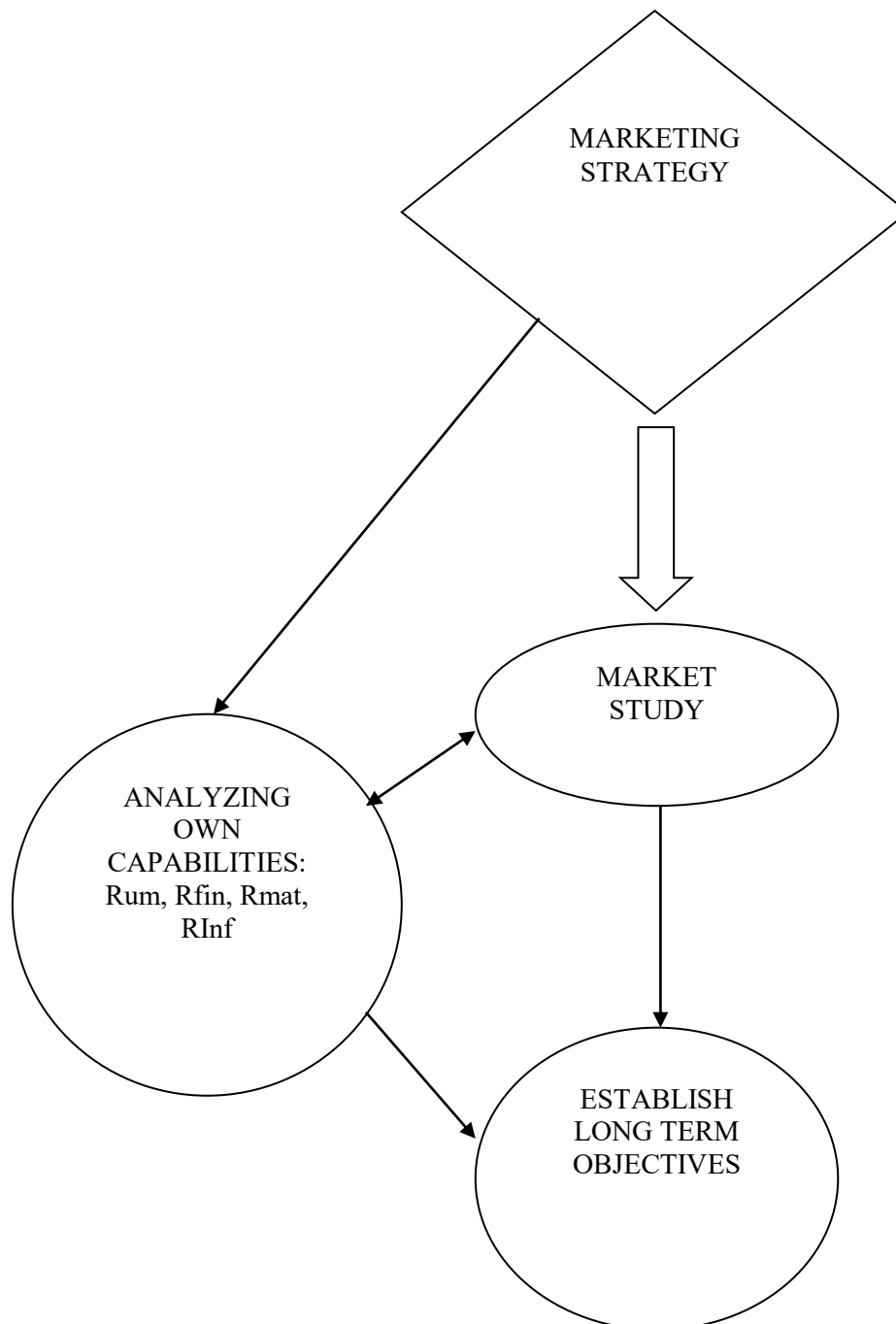


Figure 2. Marketing strategy concept

Rum – Human resource; Rfin – Financial resource;
Rmat – Material resource; Rinf – Informatic resource

In figure 3 it is presented the correlations between the 4th types of resources, very important correlations with every marketing manager should have on his hands. It is necessary to draw attention upon human resource and informational resource which governs the other 3 resources types.

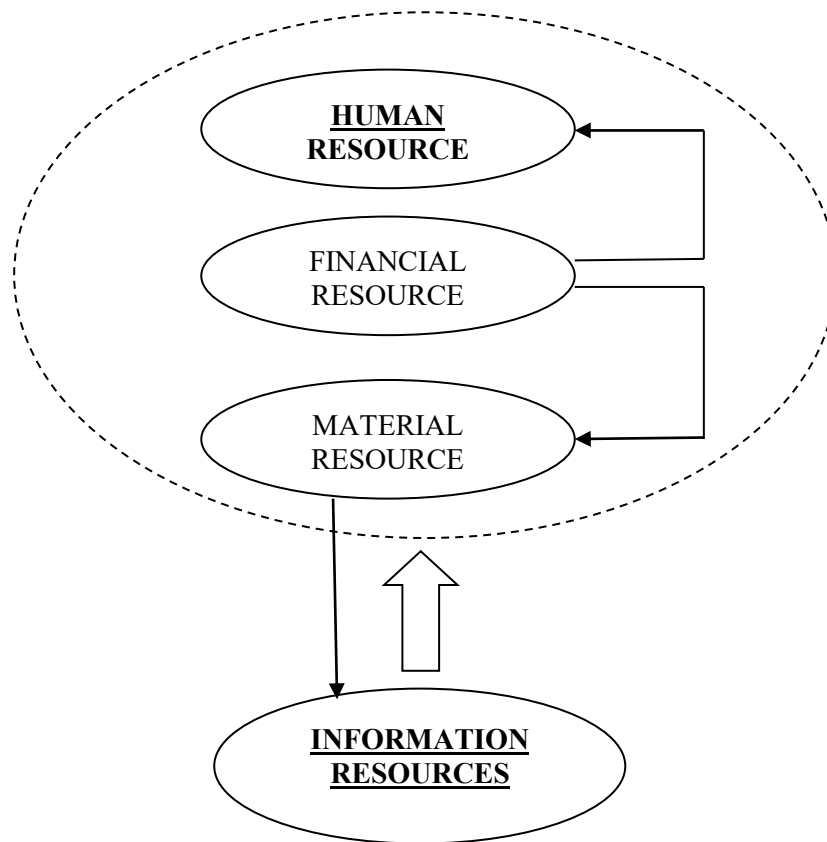


Figure 3. Correlations between necessary resources of marketing

An important role is played by the distribution (in terms of quantity, but especially in terms of quality) of financial resources on top of the other three resources, human, material and informational.

In case of a scientific marketing strategy market segmentation process has an important role [7,8]. Segmentation is the base of marketing program elaboration focus on a target audience. Segmentation process is described in below scheme (figure 4):

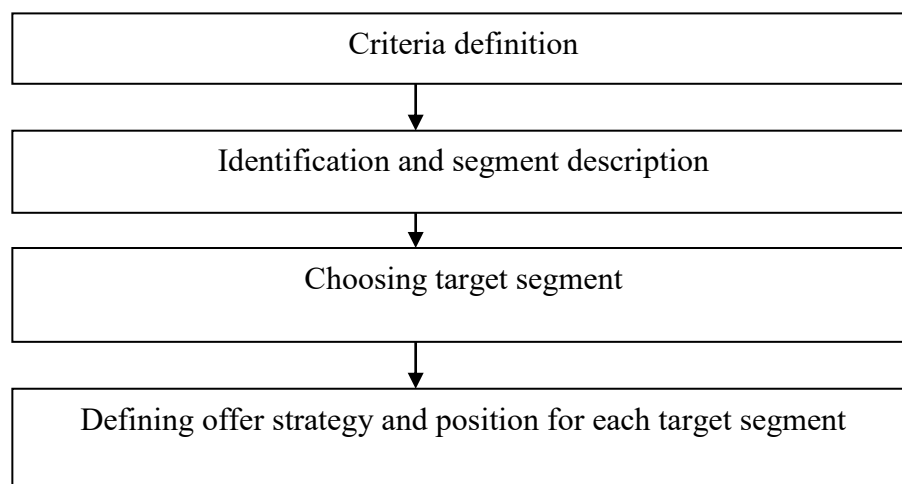


Figure 4. Market segmentation process

Below, it is necessary to make an explanation of the main steps of this process of market segmentation.

3. Criteria definition

At this stage it is necessary to answer the following questions:

- Who are the base consumers of the product?
- Which are the differences and similarities between them?

Information about the evaluation of consumer preferences can be achieved by various scale methods such as:

- semantic differential
- Stapel 's scale
- Likert 's scale
- method of paired comparisons (comparing similar products, products of different companies)
- method based on Fishbein -Rosenberg 's model.
- other direct methods : observation, testing, investigation

4. Identification and description of market segment

Identification of market segments goals is a necessary step in gathering information that will serve in deciding on how to sell the product.

People belonging to different social and economic groups often are inclined to buy products in various types of stores, read different publications, watch various television programs and respond to arguments in favor of the sale.

5. Choosing market segment

At this stage it is estimated the attractiveness and is decided the number of segments on which the company need to focus. According to the chosen segments, the company must determine strengths and weaknesses of competitors, market size, relationships with distribution channels, profitability and company mission

Any production company that manufactures and sells a product has three alternatives in choosing target segment:

- Develop one marketing program specifically for each market segment (differentiated marketing).
- Produce a single size and attract buyers through a unique program of promotion that is based on the tastes of the largest number of customers (undifferentiated marketing).
- To focus efforts (limiting the number of sizes and programs) in several market segments, giving up some buying groups considered less interesting (concentrated marketing).

Concentrated marketing enjoys the benefits of the three alternatives. Companies that practice it gain a strong position in segments over which they focused and they know very well, achieving significant benefits and savings in their specialization

On the other hand, narrow specialization, on a small number of products has huge risks in terms of modification of dimensions or segment characteristics being followed by market lose.

In choosing the most suitable alternative should be taken into account available resources, homogeneity of product and product market, the product stage in its life cycle, and competitors strategy related to the product

Undifferentiated marketing treated as a homogenous market, without any segments, relying on what is common to use and by the advertising. There are advantages in terms of production cost, logistic of goods and advertising.

Because the needs of consumers are different this takes to partial satisfaction of a big part of these ones.

Undifferentiated marketing has been widely used in consumer goods, food and beverages, but is currently in decline. The main purpose of this is to maximize sales marketing

Differentiated marketing, used in machinery and equipment has the advantage of adapting better to the needs of customers (which usually leads to increased sensitivity of sales) and the disadvantage of increasing production costs, supply, and inventory.

6. Conclusions

Marketing involves activities in three areas: design, attitude and action. Marketing priority should be meeting customers and consumers satisfaction. Unfortunately this adage is often a mere assertion, considering that the main purpose is making profit.

A correct (scientifically) and efficient marketing, on top of specific market studies, should have from the beginning till the end of each production cycle and sales the capacity of undertaking. This capability is quantified by quantitative and qualitative level of the four types of resources: human resources (most important), financial resource, material resource and informational resource.

Also effective marketing must take into consideration the correlations between the four types of his resources (in terms of quality and quantity): the financial resources on top of the human and material resources, and the subordination of the 3 types of resources (human, financial, material) over the informational resource.

References

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