

Marketing Strategy Development in Central and South-East Europe

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Abstract

In the contemporary world under the influence of global companies and new current consumers the fast lifestyle marketing strategy has changed. New products are placed on the market very often so the number of stages of the life cycle of the product gets smaller and smaller. Some of the products stay and some do not, without even thinking if the consumer wants these changes. Marketing strategy of the product and the company must be in accordance with the first and primary mission and vision of the company. With constantly wanting to fulfil the consumer's need, the mind flow of the company got lost, and also with the never ending development of the new products our consumer ends up with a noise in his mind. The primary products stay, but in the palette of products, enriched products are constantly added and they disappear after one season. The result of the interaction of the need of the consumer and putting the new products on the market is unsynchronized. In the marketing strategy the main advantage of targeting the information to the consumer is happening with digital marketing. Creative communication through digital marketing focuses on a segmented market, the target group of consumers, through which the company is positioned. In this paper we will introduce the push and pull strategy which applies to the product type and consumer's sophistication.

Key Words: Marketing, Strategy, Segmentation, Diversification, Target Group, Marketing Communication, Digital Marketing.

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Introduction

The origin of the word strategy means attack, attacking, conquering which can be applied as conquering different markets with the right marketing strategy. Once, the company would write a one year, five year and ten year strategic plan. However, because of the development of the company's market and the consumer fever, marketing strategies are changing multiple times in one year today.

Marketing strategy is always supposed to be made according to the original mission and vision of the company. Every step in the company, including every marketing campaign of every product or service in the assortment should be in sync with the original mission and vision of the company. Only that kind of thinking brings the long term results and avoids confusion of the consumer. However, due to the turbulences on the market and consumer's countless demands, companies become scared and change their marketing strategies constantly and very fast.

How did the planning of the marketing strategy change? The long term plan describes the main actors and forces which will impact the organisation in future years. It also contains long term goals. This kind of plan should be updated every year so the company would always have an up to date long term plan.

Annual (short term plan) describes the situation in which the company is currently, it's goals, strategy, activity program and a budget for the next year. It should also mention the system of controlling that all of these plans go the way the company wanted in the first place.

The Strategy of International Marketing

Together with the functions of management, marketing is subject to the impact of international operations. Whether a company dealing exclusively with export from a domestic basis or a multinational company with fully integrated global operations, it will experience at least as many different marketing requirements as there are countries in which it trades. The complexity of international marketing originates from the necessity to understand different environments in delivering a company's services or products to foreign consumers. Thereby, the function of international marketing management must meet up certain requirements. These assume the following:

- Use of research of international marketing in order to determine different possible final users of services or products.
- Classification of potential consumers by means of segmentation methods.
- Modification of the product (or creation of new products) in order to satisfy the consumer in thus set up markets (product strategy).
- Setting up a strategy of international price assessment, for deciding upon the selling price range, which will help the company achieve a significant advantage in chosen foreign markets.
- Development of a promotional strategy in order to inform potential clients about the characteristics and the useful features of the product.
- Foundation of one international distributing system which provides a satisfactory level of services for foreign consumers.

All of these assignments are part of the responsibility of the international marketing manager. A successful implementation is extremely important for the success of the company in global markets. However, in spite of being an indispensable condition for the company's maintenance, a perfect marketing management is not enough by itself.

It is never exaggerated to emphasize the importance of understanding the different nuances of practical business operations and customs in foreign countries. In many countries this attitude is the most important element in achieving success, and the marketing cadres have to understand and apply adjustment to a specific culture. This doesn't mean that international marketers have to give up their own way of doing business, but they certainly cannot expect or request foreign consumers to give up their customs. On the other hand, certain attitudes on belonging to a nation can bring good results in some foreign countries. For example, the way Japanese businessmen react in unexpected situations, which imply being relaxed and calm, results in their much better acceptance in the Middle East.

As avoiding national strategies is of high importance, there are certain characteristic behaviours that can help the international marketers to define their attitudes. We can specify the following:

In the Orient: Stress your attitude in such way that it doesn't become obvious that you are winning an argumentation. In this way your opponents will not get into the situation of losing their reputation.

In Italy: Try to win during your conversation, in this way you will be taken seriously.

In Switzerland: Express yourself clearly; in this way they will understand you literally.

In Great Britain: Use the approach of indirect convincing.

In Germany: Use the approach of direct and firm convincing.

In Mexico: Emphasise the price of the good.

In Venezuela: Emphasise the quality of the good.

International marketers must also be aware of some other specificity of foreign countries. Firstly, the form of business ownership can vary, e.g. in Great Britain many more companies are appointed in the stock market than it is the case in Europe or in America. Family businesses are much more common abroad, especially in developing countries. Secondly, the size of foreign companies can mislead the managers in terms of management attitudes. We cannot claim that managerial values in e.g. big Japanese companies are equal to those ones in companies in Great Britain or the USA. Thirdly, managers of specific levels often attain different positions regarding authority and responsibility in foreign countries than they had on domestic grounds. For example, authorities in Asia and Africa and their companies often cluster firmly in the top. Finally, the attitudes of governments, syndicates, shareholders, and most importantly consumers, vary from one country to another.

Marketing Research

The role of the company's internal informative system in providing data for marketing decisions is forgotten in marketing research. The research can often be facilitated by setting a necessary data base and collecting internal data; this is especially important for international markets as much information that can be collected within the company are ignored or lost. Useful data can include the history of sales by product or by product line, by consumer and sales force, by distribution channels in one or more countries; analyses of such historical data on trends in different countries and regions; the derivation and the analysis of contribution per product, product line, consumer and region; and the development of the markets' reaction function in different countries in order to compare previous marketing mix decisions and suggest future decisions that can differ from one country to another, within a country or from one region to another.

Once marketing research is done, the obtained information should be analysed in order to answer questions on future marketing plans and actions. The main relevant questions for international marketing can be classified into two categories:

1. Market and competition choices.
2. Marketing mix with a special focus on the product choices.

Regarding the market and competition, a company should mostly take care about the following:

- To understand how it is ranked by consumers in comparison to its competitors.
- To determine its chances in attracting consumers.
- To decide whether to compete or to collaborate with its competitors.

Regarding the product and marketing mix, the company should pay attention to the following:

- Choosing product it will introduce, which channels of distribution it will use and how it will propagate and promote the product.
- Identification of barriers for attractive markets and finding ways to exceed them.

Cultural Research

Core values are constant and dominant and shared by people who belong to the same culture. Advertisers must acknowledge cultural values and their shift, in order to liaise with the ones the advert is dedicated to. If you see a selection of adverts from the previous half of the century, you will definitely notice some shifts in cultural values, expressed in advertising. It is not likely that you will see disrespectfulness in a commercial from the 1940s or 1950s, when patriotism, development, family, respect for the older and other values were dominant. Besides, what functions well in one cultural segment may not function in another. Even though it is often difficult and always a risk to generalize any group of people, researchers discovered cultural tendencies advertisers should take into consideration.

For example, an advert showing a mother, father and a couple of children laughing at the dining table, can transmit the feeling of family unity to many people living in the USA, but people from the Balkan semi islands, or Italians may wonder why grandparents or grandchildren are not shown in the advert, as their households often include a larger family.

The final question related to the values of international advertising is politics and this subject must be approached very carefully. People often travelling around the world for business reasons, are warned to avoid discussions about politics, and the same warning is valid for advertising in a big number of countries. This topic is simply very sensitive in many countries. For advertisers in the USA, it would be perfectly acceptable to mock the US government in their adverts, but do not try to make fun of other political systems when advertising in other countries. A Swedish furniture company learned their lesson when they made adverts for Hungary in which it mocked communism in post-communist countries. Even though the communist government was ejected two years prior to this event, Hungarian consumers didn't like the fact that someone outside their country made fun of their former political system. The complaints were so loud that the company withdrew their adverts.

The Interaction of the 21st Century Consumer and the Company

The requests of the today's consumer are getting more and more complex, so the companies try to answer all those requests with the wide range of products. The consumer's fever in this century is making companies widen their range of products so they could satisfy same consumer's need on the diversified way. Following that, the disproportion of the market appeared, because companies can not keep and control that number of new products.

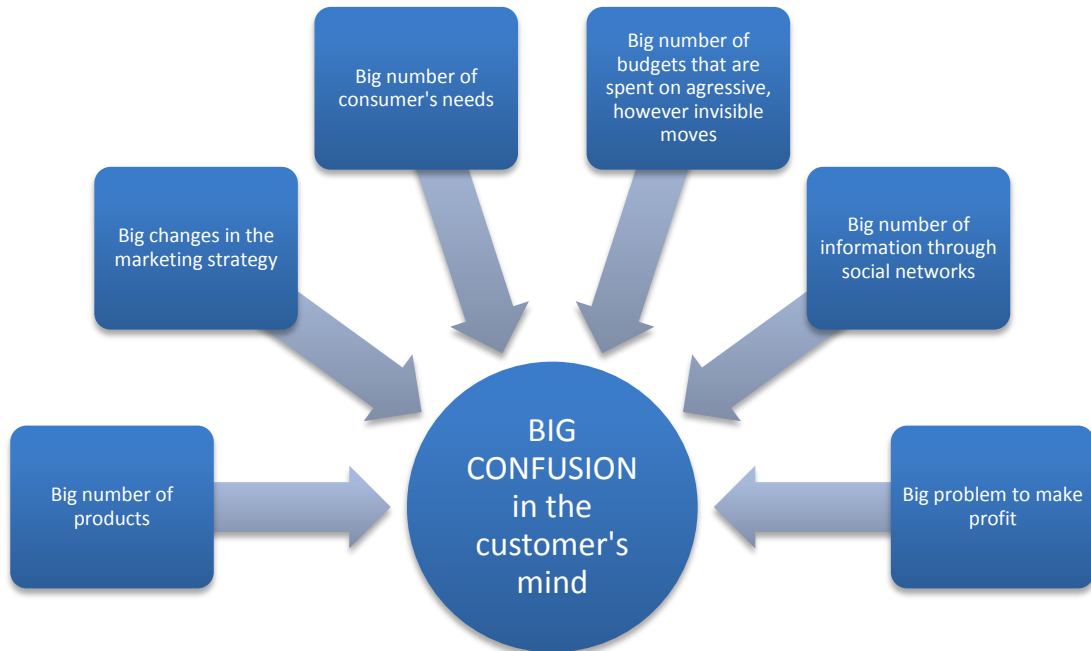
The consumers are becoming attached to the new products (the alternative of the already known original product), but the alternative disappears from the market in a year. A new alternative with fresh characteristics is offered this season, and the goal of that is to answer the newer and newer consumer's requests in sync with the new trends. What if the previous product had a better reception than the new one, and the consumer can not find it on the shelves?

Communication with the company is more direct today because of the digital marketing- social networks, following that the demands of the consumers are answered immediately.

Because of the wide range of products that are appearing on the market every year, the promotional campaigns are made - it's most visible component are commercials. This is the way to create noise in consumer's mind and the consumer reacts defensively. New products are constantly appearing on the market so the life span of the product becomes shorter. Some of the products stay, and most of them have a seasonal expiration date without considering if the consumer wants that kind of change.

Conclusion

The result of interaction between the consumer's need and appearing of new products is unsynchronized



The future of the marketing strategy should focus on longer phases of the product's life span. They should also put new products on the market slower, and not try to be in sync with the competition's rhythm, because you might lose your loyal customers. (This mostly applies on everyday products)

In the technical industry, the race for the most perfect performance can bring fatal consequences for humanity. The machine can not be a substitute for a man.

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