

Improvement of marketing management of enterprises

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Abstract: When enterprises rely on their production capacity and produce goods without learning the needs and tastes of consumers and present them to the market, difficulties arise in the sale and their market situation gradually gets worse. In order to prevent such situation and ensure success in market activities it is necessary to follow the system of marketing management of enterprise activities.

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1. Introduction

In general, the provision of market orientation of enterprises should be carried out by the marketing service of these enterprises and this time the above mentioned service coordinating the activities of other structural units should play a system-forming role. Therefore, a system approach method should be applied to the improvement of marketing management of enterprises and on the basis of the mentioned method marketing management should be improved. The main feature of the system approach is that the decision is accepted taking into consideration all the elements of the system and on the basis of all the appropriate elements of the system. As part of the system approach the analysis is focused on the discovery and study of multilateral relations of elements [5].

On the basis of system approach method in order to improve marketing management of enterprises it is necessary to learn the mutual relations of marketing service operating in those enterprises with their other sections. Through interaction of marketing service with other sections of the enterprise a marketing management system is formed and an idea is achieved concerning the activity of this system. However marketing system is not limited with the environment within enterprise and some of the elements that are included into this system are outside the enterprise. All the elements that somehow participate in preparation and acceptance of decisions that are aimed to meet needs and requirements of people should be included in the marketing system [2].

First let's pay attention to what interaction may exist between marketing service and production department in the enterprise.

As it is well known, in the conditions of market relations the information concerning production and sale of the goods come mainly from the market.

However the marketing service is involved in the acquisition of market information and transmission of this information to other structural section of the enterprise.

The marketing service of enterprises should comprehensively analyze the market of goods, identify actual and potential capacity of the individual product segments, and clarify the unpaid requirements of consumers for goods and structures of these requirements. The results of analysis conducted by marketing service in this aspect should be transmitted to the production department of the enterprise. The production department of the enterprise on the basis of information received from the marketing service can determine the range of products to be produced and the number of products to be included in this product range. However, unfortunately, the work of production department is set in this way not in all the enterprises. Thus, due to the absence of marketing service in some enterprises, the production department organizes and carries out its work without being based on market researches. In such a situation, certainly no word can be said about the marketing management of enterprises and paying the needs of consumers taking into account their requests and tastes.

Generally, in the enterprises where marketing service exists, the information spectrum that is transmitted by this service to the production department of the enterprise should be wide. This information should be necessary information in terms of improving the marketing management system of the enterprise.

The existence of interaction between the marketing service of the enterprise and its finance-accounting department in the enterprise marketing system is inevitable. In fact, the fulfilment of the functions carried out by the marketing services of enterprises is possible thanks to the financial

resources allocated by the Finance Department of this enterprise. The Director of Marketing service should convince the Director of Finance Department that it is necessary to allocate financial resources to ensure the sustainability and efficiency of market activity of the enterprise for a long-term period. The marketing service should determine what amount of resources is needed to work and carry out a successful marketing activity in addition to other structural sections of the enterprise. The resources required either for the conduction of market researches, or the development of a new product, or the implementation of integrated communication policy, should be determined by the marketing service in a detailed way and the necessary information should be transmitted to finance-accounting department.

It is clear that the finance-accounting department is interested in spending the resources of this enterprise economically. However, we suppose that saving financial resources of the enterprise should be provided with. In fact, the resources allocated for implementing marketing activities by finance department of the enterprise should play the role of an important investment factor that ensures the future development of this enterprise.

The provision of interaction between the marketing service of the enterprise and its Department of Planning and Economy entirely leads to the completion of planning in enterprise level. Therefore, in a number of enterprises a marketing plan acts as a part of unit plan of these enterprises and is reflected in the content of the mentioned plan. Certain changes concerning dynamic marketing environment in plans drawn up at either enterprise, or strategic section of economic unit, or product level are inevitable, and these changes should be reflected in the general plan of the enterprise. The strategies identified in marketing plans drawn up at different levels being reflected in the general plan of the enterprise become elements of its general development strategy and therefore, obtain an integrated plan at enterprise level. The provision of interactive relations between marketing system and department of planning and economy of the enterprise means the operative consideration of changes that happened in planning in marketing aspect, and therefore strengthening of market orientation of the enterprise.

The marketing service of the enterprise should also act in an interactive manner with its legal department. The interaction between these departments should get a more intensive character in the period when activities carried out on government regulation of the economy are strengthened. This is due to the fact that the marketing activities are types of activities that are subject to legal regulation.

Transmission of changes that happen in normative-legal acts to the marketing service of the enterprise, explanation of unknown legal issues to the marketing managers of the enterprise, in general, delivery of marketing opportunities, opened in front of the enterprise thanks to changes that happen in legislation, to managers can also be provided by the employees of law department. In addition to all these, the law department of the enterprise should play a certain role in the role of improver of enterprise behavior in legal context.

The strengthening of market orientation of enterprise depends on knowledge and skills of its staff in this field, as well as on the competitiveness level. The fact that the enterprise possesses such a staff and instilling marketing thinking way to the existing staff requires an interaction between human resources department and marketing service. Thanks to the interaction between these departments the enterprise determines what staff can be hired and marketing service recommendations are transmitted to the human resources department. In fact, if necessary marketing service holds conversations with staff that are to be hired and determines what contribution they may make in the future market activities and expresses its idea in this field to human resources department.

As it is obvious, the marketing service of enterprises operating in an interactive way with its other functional sections plays a system-making role and this time the service itself acts as one of the elements of the system. We'd like to note that not only the functional sections of the enterprise but also other subjects play the role of elements of marketing system of the enterprise. Some of these subjects are certainly beyond the enterprise and operate in its marketing environment. In terms of relation with the environment systems are divided into open and closed systems. The closed system doesn't have any relation with environment. The open system is related to the environment with its access and exits [4]. In this regard, of course marketing system is an open and organizational system.

To subjects that act as content elements of the marketing system of the enterprise and are located beyond the enterprise refer consumers, senders of raw material and material, marketing mediators, communication audiences and competitors. In the implementation of marketing activity of the enterprise its marketing service should interact with the above mentioned subjects and without it there can be said no word about successful marketing activity. For instance, enterprises should learn needs and requirements of consumers and on the basis of information received from them should determine the range of goods and produce these goods and present

to market. In addition to all these, the managers of the enterprise should prepare and realize purposeful measures towards forming demand for goods offered to markets. The measures taken in this aspect should also have a system character and these measures, as it is well known, are related to activities carried out within integrated marketing communication system of enterprises.

The interaction between the marketing service of the enterprise and senders of raw material and materials is related to finding out trustful partners as the senders of raw material and materials. Enterprises working interactively with senders of raw material and materials deliver them the characteristics of raw material and materials that they need, at the same time in order to ensure a long-term and reliable cooperation with them, learn their comments and suggestions. The existence of long-term reliable relations between exactly these market subjects and the enterprise allows improving its competitiveness. This is because senders of raw material and materials act as one of market subjects stipulating competition and affecting the ability of enterprise to get profit. In this regard, of course, senders of raw material and materials are important elements of marketing system of enterprise and the interactive work of enterprise with this element is inevitable.

The marketing activity sometimes depends on marketing mediators. For this reason, the marketing service of enterprises should interactively work with business mediators, as well as enterprises operating on the promotion of products in the market, and marketing agencies.

As an important element of marketing system the communication audiences affect the market activity of the enterprise at this or that level. These subjects have a real and potential interest in the goals set in front of enterprises, and have ability to influence their target achievement opportunities. Therefore, marketing service employees of the enterprise should be open to communication audiences that help them to achieve their goals, cooperate with them, on the contrary should try to neutralize the influence of mediators that negatively affect these enterprises to achieve their target.

The activity of the competitors to the activity of marketing system of the enterprises does not pass without affect. Sometimes enterprises working interactively with enterprises that are considered their competitors are able to remove difficulties that can arise in marketing activities. For example, an enterprise developing cooperation relations with its competitor enterprise can remove difficulties that arise in product sales. Therefore, enterprises should not treat their competitors as blockers of market activity in the framework of marketing system, but as

subjects that have a more or less positive effect on the implementation of that activity. Development of integration is possible between enterprises that are competing with each other.

The marketing system in enterprises can also be imagined in a different way than the above described. For example, it is possible to consider marketing system as a totality of interactively related elements that have ins and outs. Obviously, in this case the input elements of the marketing system will be information collected from various sources (enterprise and beyond enterprise). As a result of reasonable transformation of the information entered in the system is obtained the information necessary to make grounded decisions on marketing management of the enterprise. It should also be noted that as a result of transformation of the information within the system in terms of provision its accuracy certain errors and distortions are inevitable. Therefore, in terms of provision of information accuracy in the marketing system access a control which allows necessary corrections should be considered.

The information received in the marketing system access of the enterprise is used in the acceptance of decisions of strategical and tactical character concerning marketing management of the same enterprise. In addition, various recommendations, ideas, goods that are accepted by the market as new ones can be observed in terms of implementation of marketing activity as a marketing system access. The above listed elements are the access elements that are directly related (i.e. carrying marketing information) to the marketing information of the system.

The entries of marketing system that are imagined as "Entries-process-exits" should be considered as internal and external entries in their turn, and exits as internal and external exits. The internal access of this system includes the resources of the enterprise, goals and information received from within the enterprise.

Let's take a look at each of the internal access elements listed above.

As it is well known, the resources in the disposal of any enterprise are limited. The marketing service of the enterprise having information about these resources and their quantity can make grounded decisions on marketing activity. Otherwise the resource provision of the decisions made is considered not grounded and it becomes problematic for the enterprise to obtain the set goals.

As one of the internal access elements of marketing system obtaining information about the goals of the enterprise is very significant for each element of the same system. Each element of marketing system that somehow participates in the

decision-making concerning the fulfillment of people's needs and requirements should very clearly know what purpose the enterprise has. This is due to the fact that, having knowledge about the goals of the enterprise leads to acceleration of the delivery of objectives by the employees of the enterprise.

One of internal accesses of marketing system is information received from the enterprise. This information is considered significant in terms of implementation of market activity of the enterprise. In most cases, although the above mentioned information exists within the enterprise, during decision-making it is problematic to look for and find them. For that reason, it is needed to collect and systemize necessary information in terms of implementation of marketing activity from within the enterprise, and the fulfillment of this task accelerates the process of finding the information needed for decision making.

The information that refers to the external inputs of the marketing system of the enterprise includes information concerning consumers, competitors, investors, and market.

In order to improve marketing management of enterprises it is necessary that these enterprises have information feedback with their consumers. Thus, enterprises should provide consumers with feedback in order to follow the changes that happen in their needs and requirements, and through this feedback regularly get information from them and on the basis of the received information should make actual decisions concerning marketing management.

As one of the accesses of marketing system, the information about the competitors of the enterprise is used for justifying decision-making in the strategic aspect of the same enterprise. In the period when competition is gradually escalating in comparison with competitors a more profound fulfillment of needs and requirements of consumers requires continuous monitoring of their activities. Without obtaining this information it is almost impossible to develop and prepare competitive strategies of the enterprise. Therefore, an enterprise that operates in this or that sphere should study the reaction of competitors on its implemented marketing activities. If the competitors have a reaction on the activities carried out by the enterprise, it means that marketing activity of the enterprise has positive results and the competitors are concerned about strengthening of its market position. If the competitors have no reaction on marketing activities of the enterprise, it means that activities carried out by this enterprise were ineffective. The reaction of competitors to the marketing activities implemented by the enterprise should be studied and this reaction should be used as

an indicator to improve the marketing activity of this enterprise.

The interest or reaction (if they exist) of investors in the enterprise should also be considered as one of the external accesses of marketing system. If the interest of investors in the enterprise gets lower, it means that the marketing measures taken by this enterprise were unsuccessful in terms of provision of success on its market activity. On the contrary, the strengthening of investors' interest in the enterprise means that the marketing activity of the enterprise is effective.

The information about markets to where enterprises enter or will enter is considered one of external accesses of their marketing system. This information is very important in terms of strengthening market orientation of the enterprise and its production of goods taking the pulse of the market. This information should routinely be included in the enterprise. Thus, market is a dynamic place or environment and taking into account changes that happen in this environment very significant in terms of paying needs and requirements of people in a comprehensive manner, and improvement of marketing management of the enterprise.

The information obtained in the internal access of the marketing system is used by other functional sections of these enterprises. The production, finance, sales, human resources and other departments of the enterprise using the information received in the internal access of the marketing system are able to make operative and reasonable decisions concerning their activity. These are decisions that may lead to an improvement of the market position of the enterprise and ensure sustainability of production-sales activity of the enterprise.

Information and elements received in the external access of the marketing system of the enterprise are used by various market subjects as well as other subjects that do not act as market subjects. Thus, consumers and customers obtaining goods that meet their needs and requirements, at the same time get acquainted with the information concerning the future activity of the enterprise. The subjects that act as senders of raw materials and materials to the enterprise get acquainted with the specific features of the raw materials and materials to be sent and receive information about the volume of orders. Information received in the external access of the marketing system is used by mediators, competitors, as well as the whole community. The mediators representing different consumer groups get recommendations and orders concerning the implementation of sales and acceleration of sales operations from the manufacturer. As for competitors, it should be noted that, receiving information from the external access

of the marketing system of the enterprise, they get an idea about the competitiveness of marketing system of this enterprise and get acquainted with its new marketing ideas. However the entire community relying on the information obtained from the external access of the marketing system of the enterprise can produce savings about what is the behavior of this enterprise (ethical or unethical).

Thus, a system approach to the marketing management of enterprises makes possible to get a full idea about the view of possible results of decisions made in these enterprises. If the interaction between the marketing system elements of enterprises and these elements is clearly defined, then it allows seeing what changes can lead the change that happens in this or that element of their marketing system in other element or elements. Implementation of these changes in advance leads to the accuracy of decisions to be made in the future by the marketers of this enterprise and reduction of possible errors in their decision-making. Therefore, in our opinion, a system approach to marketing activity in enterprises and entirely to the management of activities of these enterprises should be considered as a correct methodological approach to the formation of

marketing organizational culture and this approach should be used in the implementation of market activities.

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