

**FROM THE PRIMACY OF PRODUCTION
TO THAT OF THE MARKET
- A TENDENCY IN THE THEORY AND PRACTICE
OF THE DEVELOPMENT OF MARKETING
AT THE LEVEL OF ORGANIZATION**

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ABSTRACT: Marketing offers each organization means of action which have already been tested in practice in the view of taking decisions regarding the market and the client.

Marketing is a branch of the science of the organization and running an enterprise, which is based on knowledge of organization and running an enterprise, of macroeconomics, of psychology and of sociology.

Marketing functions in an organization, independent of the existence of a department of marketing, and it is a way of thinking that generates various orientations.

Nowadays, in most companies, marketing fulfills a leading function, being perceived as a management market/oriented which is in a functional rapport with the management of the organization.

Keywords: primacy of production, primacy of selling, primacy of market

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A series of studies recently made in different developed countries of the world confirmed once again the importance of marketing for the business success offering sure hints that companies enrich their competences in marketing mainly put into practice in the orientation of the activity towards the consumer, market integration and concentration to obtain profit. Thus, a study made in Great Britain unanimously admits that the factor with the greatest influence on the reduction of the quotas obtained by British companies on internal and external markets is represented by the poor quality of the marketing activity. The cause is, according to the specialists, not only a reduced acceptance by management of marketing thinking but also the poor putting into practice of the marketing functional activities of the level of companies.

An ample analysis of marketing is the one made face with the problems of the business environment characterized in the market economy by an accentuated dynamism. It is vital to identify the specific obstacles that the tendencies of this environment put in front of the marketing practices.

A first problem would be the internationalization (globalization) of business, which represents the challenge with the greatest impact over the marketing activity. Buyers and providers of products and services adopt an increasingly global position and the notion of separate markets from the national point of view ceased to be relevant, excepting the cases where there are obvious differences of tastes and preferences, the result of a certain culture, which leads to the intensifications of competition between providers. Creating a unique European market that brings along common standards, technical and safety requirements which are very accurate hurried and favored this tendency.

From the marketing point of view, the issue which comes up is the restructuring of marketing operations at national level in order to be able to compete at international level on bigger

and more dispersed markets. Practically, it is believed that this globalization complicates under all aspects the four “P” traditional factors of the mix of marketing, namely: **product, price, promotion and placement – distribution.**

Thus, we resort to the extension from the market study to that of marketing, in the view of avoiding the limited perspective of concentration on market and accentuation of the general aspects of marketing.

This study of marketing follows an extended objective: both the analysis of the markets relevant to the company and researches of the exterior environment, by activities of research which provide information and puts them into value. The large specter of the dimensions of the analysis is revealed in figure no. 1:

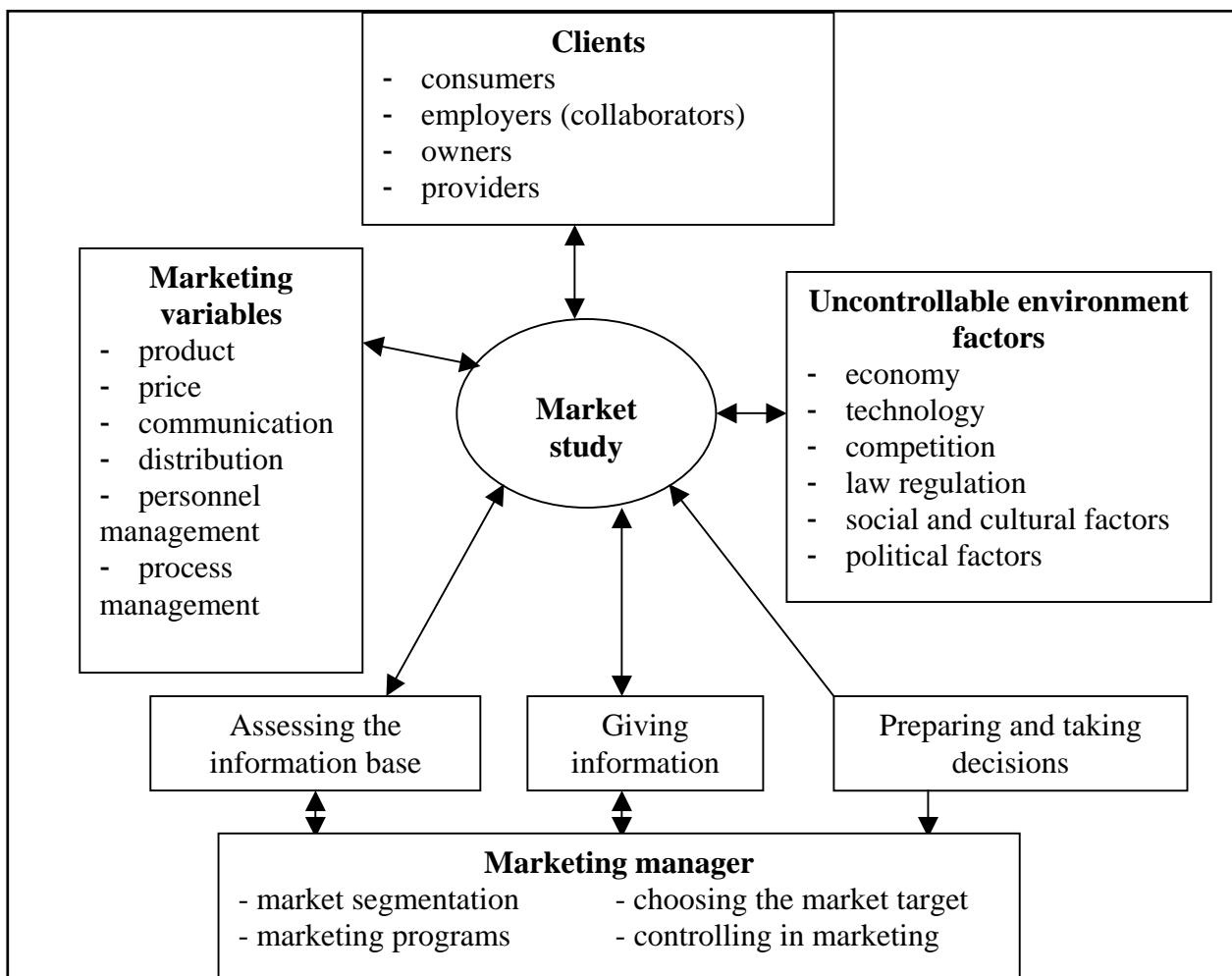


Figure no. 1

Source: *Dimensions and relations of market study (after Hans-Dieter Zollondz in: Marketing Fundamentals, 2007, page 24)*

Another issue specific to the business environment is represented by well-informed, sophisticated and powerful clients. this means that these clients become every day more demanding, their expectations regarding quality of products or services, which represents a direct consequence of the great process registered in communications and technology of information, as well as of a big concentration of decision of acquisitions in the hands of a small group of people.

There appeared groups, networks and alliances of buyers which diminished very much the producers' capacity of control over the market. The reactions of the latter materialized into the passing from the distribution through multiple channels, including the possibility of direct selling,

either through already existing channels (mail services or selling through mail), or through newly set channels such as television shopping, internet or selling directly from the warehouse.

Thus, to achieve a content client we should do a prior concrete testing of the product (ex-post-appreciation), which determines the concordance between the expectations of the client at the moment of buying the product and the experiences lived at its using.

Research shows that there is a close positive bond between the satisfaction of clients and their commitment which is important to the economic practice as the contentment of clients is nowadays a target both of the marketing and of the quality management (figure no. 2):

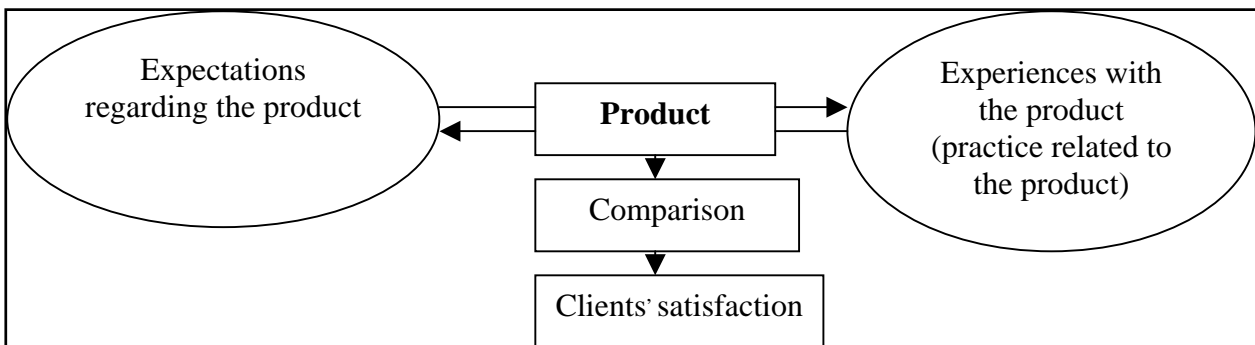


Figure no 2

Source: Satisfaction of clients as a concordance between expectation and practical experience (after Hans-Dieter Zollondz in: Marketing Fundaments, 2007, page 14).

A company which is not client-oriented, taking into consideration their expectations, does not act under the guidance of marketing. So, marketing should be a step ahead of client, this being the point of departure and the aim of every conception of marketing.

Another problem is represented by the increased competition between bidders which influenced especially the prices, the companies being forced to intensify their efforts in launching on market (the primacy of selling). In this direction, the new perspective of marketing found its expression in the concept of marketing mix which includes four different activities of marketing:

- ✓ product – product policy
- ✓ price – price policy
- ✓ promotion – promotion policy (including publicity)
- ✓ place – distribution or launching policy (including sales)

However, it is admitted that a large scale use of these tools of marketing mixing is not enough. That is why it was necessary an anchoring of marketing in the structure of organizing and running the company out of which it resulted the notion of marketing management, characteristic to the market-orient politics of the company.

as a result, it becomes imperative the perspective of the market with decreasing prices (the buyer's market), intensively competing, leaving behind the classic orientation towards production. Such a market-oriented leading systematically resorts to market as a place of trade of goods and chooses the targets of the company (personnel, finances, production, purchase and marketing aim) as a base to set up the strategy of marketing.

All these problems require the re-assessment of the way which the companies develop their marketing activity, as well as the re-examination of the ways through which marketing can be introduced and accepted as a business philosophy. If the marketing does not answer to the set of issues that came up, there is then a real danger, in the opinion of specialists, of marginalizing marketing as an operational function of the modern enterprise. More concretely, there are already sings in this direction, namely within the North American companies not the marketing but the processual re-projection of the company played a central role in its restructuring, having in view a greater orientation towards clients and marketing them loyal.

The changes which will appear in the marketing activity at operational and functional level materialize:

- ✓ serious companies treat their own marketing operations with high professionalism and use a wide range of ways. Moreover, they consider more important the theoretical training and certified qualification in marketing, making use a large extent of research and planning in marketing and investing important sums in internal analysis and market corrections;
- ✓ companies start to give up on discontinuous assessments in time in the favor of a permanent analysis and supervision, which offer possibility of reacting rapidly to market changes.

Nowadays, marketing is in a stage of radical transformation. The aspects of a new marketing become more and more obvious, being concentrated above all on the client.

In conclusion, the tendencies of developing the marketing can be summed up in the following figure (figure no. 3):

| | | | |
|------------------------------|---|---|---|
| | | Primacy of market | Primacy of client |
| | | The Implementation of Marketing | Market-oriented Management (CRM) |
| Primacy of Production | Primacy of Selling | | The Implementation of Marketing |
| | <i>Marketing mix</i> | <i>Marketing mix</i> | <i>Marketing mix</i> |
| - advertising - selling | - product policy - price policy - promotion policy distribution policy | - product policy - price policy - promotion policy distribution policy | - product policy - price policy - promotion policy distribution policy |

Figure no 3

Source: Stages of marketing development (after Hans-Dieter Zollondz in: Marketing Fundaments, 2007, page 16-17)

In future, it depends on each organization if it correlates the functional nucleus of marketing – domain of sales – to the concept of running the organization and if, meanwhile, it analyses it from the point of view of clients and employees.

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