

## PRIORITIZATION OF EFFECTIVE MARKETING CRITERIA IN THE CHAOTIC WORLD OF DETERGENT INDUSTRIES

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### ABSTRACT

**I**n fact, the relationship between suppliers and internal customers determines the ultimate quality of service that reaches the external customer and providing better services to internal customers will finally lead to provide better services to external customers. Internal customer and supplier is defined as any part which has a need is a customer and a part which meets the need is an internal supplier. In current complex and chaotic environment, effective marketing and customer management are considered main issues in the activity cycle of economic enterprises. This phenomenon is renewed and new techniques must be supplied by the innovators of this area to the managing directors, CEOs and marketing managers of enterprises. In new attitude (customer orientation) customer is at the helm of affairs, all organizational units are working together to provide customer interests. This cooperation leads to meet customer' needs and customer benefit. In today's turbulent and complex environment, speed in identifying opportunities and developing new products and also reducing product offering time to the market are critical. This study aimed to prioritize effective marketing criteria in the chaotic world of detergent industries. This applied research which was a descriptive type was conducted in Kondor Company, a manufacturer of detergents. The population consisted of 600 employees, 48 of whom were directly or indirectly engaged in the marketing and sales department. 48 people were given the questionnaire to answer the questions. The validity was confirmed by experts' opinions and Cronbach's alpha was obtained 0.82 using SPSS software. Five criteria including customer orientation philosophy, integrated marketing efforts, marketing information, strategic orientations and operational efficiency that were effective marketing components in Kotler's perspective were prioritized using SPSS software and nonparametric Friedman test. "Customer orientation philosophy" was considered as a more important criterion for Kondor Company marketing department.

**Keywords:** Effective Marketing, Chaos, Detergent Industries

## **Introduction**

Occasionally, companies are compelled to evaluate their overall goals of marketing and effectiveness. Each company should periodically assess its strategic approach to the market. In this regard, one of tools is the effectiveness of marketing unit. The effectiveness of marketing unit does not necessarily reveal with current sales unit and profitability. Satisfactory consequences may be because a department is on a proper place and time rather than it has a good and effective marketing management. Corrective action in the marketing of that department may change its status from good into great. Despite good marketing planning, another department may still not show much good performance. The current marketing personnel changes may make the situation worse than what it is [5]. Kotler model consists of five characteristics of effective marketing: customer orientation philosophy, integrated marketing efforts, marketing information, strategic orientations and operational efficiency that each of these characteristics can be measured.

In new approach (customer orientation) customer has been at the head of affairs, all organizational units are working together to provide customer interests. The result of this collaboration is to provide customer needs and customer benefits. When the organization is on the process of its structural design, plans and controls, it must first pay particular attention to its customers. In organizational approaches, if marketing activities proceed with this philosophy, it can be said that it will lead to effective marketing well.

This study aimed to analyze and prioritize the main components of effective marketing based on Kotler's model in the chaotic world of detergent industries.

## **Theoretical framework**

### **Marketing meaning**

Marketing is defined as a managerial-social process by which individuals and groups provide their needs and demands through the production and exchange of goods. To clarify this definition, the main terms including need, desire, demand, commodity, exchange, transaction and market should be explored [11].

Marketing is a strategic activity focused on the outcome of measures to attract more consumers to buy your product more frequently in a way that the company acquires more money [3].

There are four basic marketing trends:

1. Customer orientation: the organization's philosophy of existence is to meet target customers' needs.
2. System approach: the organization should look at decision-making with system view.
3. Goal orientation: Organization should be seeking a satisfactory return for the investments of firm's owners.
4. Public market orientation: the organization must have a broad vision [4].

Marketing department plays a major role in enhancing the company at the top of its group. If companies are interested in attracting intelligent human resources, creating career excellence opportunities, stockholders' satisfaction and effective competition, they need development and excellence. Marketing is directly responsible for the company's profitable development. This unit must identify, evaluate and select market opportunities and take the appropriate strategy for leading in the target market [5].

### **Research main objective**

Prioritizing effective marketing criteria in the chaotic world of detergent industries

### **The importance and necessity of research**

Today, marketing has a broad concept in the industrial centers. Besides advertising and providing goods and services, marketing involves all effective processes in attracting and motivating customers and increased

market share. Generally, the aim of marketing is to increase the sales and purchases of goods and services for financial institutions and businesses to enhance profitability. However, marketing does not just mean advertising and introducing products and services, it is an approach to meet customer's needs and a broad social and managerial process by which business and industrial entities can expand their influence on the target markets by recognizing customers' needs and interests, offering goods and services, appropriate pricing and the promotion and advertising of their products.

### **A. Customer-oriented philosophy**

Kanji and Wallace (2000: 979) believed that the concepts of organizational success and customer satisfaction are very close. Since customer satisfaction is one of the key success factors, it can be concluded that organization should have satisfied customer to achieve success and having such customers, service quality throughout the organization must be improved, thus managers should behave well with employees in order to improve service quality in organizations [10].

As Gronroos (1984) refers to his triangular service theory, external customers can be satisfied with products and services when employees are considered as internal customers. Employees with a satisfactory corporate environment are very important for external customers' satisfaction. In short, the internal marketing does not only directly affect employee's job satisfaction but also indirectly improves the service quality of external customers [12].

Agencies and organizations that are more communicated with their customers, failure to establish a proper relationship with customer can bring heavy losses to the organization. Employees in service companies should treat well with their customer, thus, an atmosphere shall be governed in service organizations in which employees are able to expand their customer-oriented behaviors. Customer-orientation, increased competition, rapid technological change, globalization and etc are new concepts that strongly influence the modern world and differentiate it from the old world in such a way that we can not able to compete or even live in the modern world [12].

In such circumstances, most organizations have realized that if they want to survive in the present world, they should move towards customer orientation and customer satisfaction. Organization that disregard customers' needs are removed from the competition [9].

Research has shown that 96% of customers do not ever complain about bad behavior and poor quality of goods and services and 90% of these dissatisfied customers don't revisit the company. Each of these dissatisfied customers tell their problem at least 9 people and 13% of dissatisfied customers convey their dissatisfaction to over 20 people [14].

### **B. Integrated marketing effort**

The organizational structure of the company or some parts of it should reflect a marketing philosophy. The main tasks of marketing should be integrated and controlled by high-level marketing. Various marketing positions should be designed to serve the needs of major marketing departments, territories and product lines. Marketing departments need to collaborate effectively with other sectors and finally, the company must reflect a well-defined system for developing, evaluating, testing and launching new products since they are the heart of upcoming business.

Integrated marketing assures commercial and manufacturing companies that the use and enjoyment of various media in marketing is done with coordination, transparency and desired effects.

Although five major media, i.e. radio, TV, newspapers, magazines and billboards have responsible for commercial advertising, gradually additional facilities and media are provided for advertising including

internet, Internet, movie, bus, truck, video cassettes, telemarketing, Yellow Pages Manuals etc.

The integrated marketing gives courage the producers of goods and services to take advantage of all above communication mechanisms which are available for advertisers and encourages them. According to experts, using media in integrated marketing is in fact an attempt to coordinate the use of all communication tools to convey the message to the target audiences persistently and provocatively that would enhance the company's goals. While advertising through traditional media has been the most common form of building relationships with customers for several years or decades, today the newer mechanisms are used. For example, a cereal production plant mostly sells through incentive mechanisms (such as lottery coupons, holding a contest, and distribution of free samples, etc.) rather than mere advertising through media. In the IMC era, what we commonly call Add is merely an advertising method or alternative and there are wider facilities and more varied arrangements that advertisers can use them. For example, Oakley, one of the most successful manufacturing plants of sport sunglasses mostly owes its success to use non-traditional media i.e. labeling its products. Factory managers have found that customers are very interested in increasing their reputation through Oakley products' brands. They are interested in purchasing the advertising tags of these products and attaching them on the glass of their automobiles, motorcycles and etc. Therefore, today, utilizing an appropriate "combination" or mix of other general marketing subsets, message carriers, ways of sales promotion and direct marketing are considered in corporate strategies.

### **C. Marketing information system**

Since early 1990s, a consensus has emerged among scholars that customer-oriented and market-oriented organizations are more successful in global markets. Peters and Waterman in "in search of excellence" and Michael Porter in "the competitive advantage of nations" emphasized that competitive success in marketing depends on a true understanding of markets, customers and competitors; on the other hand, in "classic product failures" by Donald W. Hendown (1989) and "marketing mistakes" by R.F Hartky (1992), lack of sufficient understanding of consumers and markets is suggested as the main source of organizations' failure [2]. Therefore, without sufficient knowledge about the market, the marketing decisions wouldn't achieve desired results and new products might be introduced to the market, while their demand is slight and negligible and thus they fail. Products might be offered into seemingly attractive markets, while another market's consumers prefer those products and these consequences are often the results of marketing decisions taken on the basis of incorrect or incomplete information [13]. On the other hand, excessive information can be problematic just as incomplete and inaccurate information, so, in this regard, a system must be used to report necessary information to the relevant users at the right time. Today, marketers complain the lack of proper information or much misinformation. Managers' problem is not the lack of information, but they are drowning in information; to solve this problem, a good marketing information system must establish a balance between on the one hand necessary information and on the other information that are practically possible to provide. In marketing information system, mere data collection is not considered and it won't improve the managerial decision-making ability. Data analysis is something more than ability to collect and read correctly a column of numbers, percentage, etc. when this data will be useful to know where and how they are obtained and its effect on the business positions is tested [8]. An information system consists of people, equipment and procedures to gather, sort, analyze, evaluate and distribute critical information timely and correctly to those who are marketing decision-makers. To plan and allocate resources appropriately, company's staff requires different markets, products, territories and the marketing tools. A feature of a good information system is about sales potential and profitability of different market segments, customers, territories, products and channels. Experienced marketers require information to assess the results of their marketing costs.

Philip Kotler has defined marketing information system as a structure consists of people, equipment and procedures to gather, sort, analyze, evaluate and distribute timely and accurate information which are necessary for marketing decision makers. A marketing information system is not only central to store all information pertaining to customers, but also it must be able to collect, store and analyze information related to the marketing mix, competitors, macro-environmental factors and company's internal documents. Market information includes customer behavior analysis, market analysis, marketing strategy analysis, financial policy analysis, pricing policies and procedures, distribution methods, competitor analysis etc.

#### **D. Strategic orientation**

Marketing effectiveness depends on whether management can develop a profitability strategy out of an organization's philosophy and its information resources. First, this requires a formal system for long-term and annual marketing planning. Second, the system should establish a main strategy which is clear, innovative and based on the database. Third, management should look at the possible actions that may be required by new developments in the market.

#### **E. Operational efficiency**

Marketing plans do not make a profit unless they are executed efficiently in different levels. Here, customers' interests should be primarily considered by employees across the company. Marketing management should have the right amount of resources to perform the intended task. In such circumstances, the operational efficiency is created between the company's units.

Kotler model consists of five characteristics of effective marketing unit that include customer-oriented philosophy, integrated marketing, marketing information, strategic orientation and operational efficiency that each of these features can be measured.

Hills (1990) defines chaos as a type of orderly disorder or order in disorder. Disorder since its consequences are unpredictable and orderly because it has a kind of certainty [1].

Chaos theory and its findings strongly affect our attitudes towards management and marketing practices in such a way that traditional autocratic leadership has become contingency leadership. In this type of marketing, it is emphasized that a different marketing style is used at each cycle and position. Most organizations' problem is the unpredictability of future business especially in marketing.

Chaos or order in disorder theory is among theories that throws back the foundation of previous management theories including scientific management, human relations movement etc. This theory has four main components as follows:

1. The butterfly effect
2. Dynamic adaptation (self-organizing)
3. Self similarity (holographic effect)
4. Strange attractions

In the endless knowledge path, sometimes people's paradigms will change and this paradigm shift will cause a change in various thinking and theories such as Newtonian world, relativity etc. For example, in the eighteenth century, diverse scientists like Newton imagined the material particles of light, however, in the subsequent paradigm of Young and Fresnel's theories, the light is introduced as a wave and Planck and Einstein introduced the latest paradigm in which light is composed of photons. Some paradigms are also dominant and common in management science that will not be able to predict in the turbulent and constantly changing world but there are many people who are attached to these paradigms by which want to do necessary predictions of management. However, we have to follow the norms and theories that put disorder instead of order, determinism rather than unpredictability, uncertainty rather than certainty and complexity

rather than simplicity, crisis instead of peace in their presumptions [6].

Effectiveness marketing at Kondor Company is strongly influenced by unpredictable and chaotic environment. It also affects its components, hence, the prioritization of these criteria and components can help sales and marketing departments enhance effectiveness.

### **Research literature**

Khodayari (2008) identified and explained factors affecting the effectiveness of International Internet Marketing of Iranian Exports Associations. Given the growing importance of the use of internet in business, this study identified and explained factors related to the effectiveness of international internet marketing at five levels including strategy-related factors, website, internal factors, external factors, and international factors which these five levels are analyzed with 62 variables and in terms of six hypotheses. The population was companies of Iranian export associations with websites in 2007 that were sampled in stratified manner through Trade Promotion Organization website and existing directories of 151 companies in seven industries. The research results indicated that the following factors affect the effectiveness of International Internet Marketing of Iranian Exports Associations Firms, respectively:

1. Internal factors
2. Web design-related factors
3. External factors
4. Strategic factors
5. International factors

Samadi (2009) explored the effect of relationship marketing tactics on the purchasing behavior in Clothing Stores using structural equation modeling. Data analysis was performed using correlation test. Results indicated that relationship marketing tactics (communication, personalization and preferential behavior) had a significant relationship with customer willingness to continue purchasing and there was no significant relationship between rewarding and customer willingness to continue purchasing. Results also shown that relationship marketing tactics had a positive effect on the relationship satisfaction, trust, relationship commitment, and purchasing behavior. This study can help retail stores make more effective and evaluate relationship marketing tactics.

Roger (2012) identified marketing tactics for turbulent environments. This study aimed to identify marketing tactics influenced by company's external environment in a turbulent environment. A marketing model derived from the literature was examined through a multiple case study to identify a kind of sophisticated marketing. This study was conducted in an exploratory manner using interviews with two industrial companies. Results indicated that the use of complexity theory could be useful to develop marketing in turbulent environments.

Nowkah and Francis (2009) investigated competitive intelligence and its relationship with marketing effectiveness of Nigeria's corporations. Five variables are defined for competitive intelligence (market opportunities, competitors' threats, competitors' risks, assumption-orientation, key vulnerabilities) and five components for marketing effectiveness (customer satisfaction, marketing information, integrated marketing efforts, strategic orientation, and operational efficiency). The population was consisted of 108 companies of Nigerian securities corporations. The results indicated that there was a significantly positive relationship between competitive intelligence and marketing effectiveness.

## Method

In terms of purpose, this study is an applied-field research. Regarding nature and method, this study is descriptive-survey.

## Research tools

The tools used in this study is a 20-item questionnaire in which the components of effective marketing are designed and expressed.

## Validity and reliability

The questionnaire was given 12 Kondor Company's marketing experts which expressed their views about the questionnaire and its validity was confirmed. Cronbach's alpha coefficient was obtained 0.82 which indicated the questionnaire reliability.

## Population and sample

Kondor Company is a manufacturer of detergents with a population of 600 people that 48 of whom are directly and indirectly as sample are working in marketing and sales unit.

## Data analysis

SPSS software was used for data analysis. Using KS test, it was found that the population wasn't normalized, therefore, the Friedman test was used to prioritize and compare the five components of effective marketing.

## Results

**Table 1.** Prioritization of effective marketing components using Friedman test

Components	Components' degree
Customer-oriented philosophy	8.38
Operational efficiency	8.00
Strategic orientation	7.93
Integrated marketing efforts	7.59
Marketing information	7.45

As it can be observed in table 1, "customer-oriented philosophy" has the highest priority among other components in Kondor Company and other component including operational efficiency, strategic orientations, integrated marketing efforts, and marketing information have the lower priorities, respectively.

## Discussion and conclusion

Given that criteria "customer-oriented philosophy" has the highest priority, so, focusing on customer needs is the main factor of marketing philosophy. Today, many service companies and organizations have adopted the new concepts of marketing and act by it. They have found that focusing on customer needs means considering quality and customer service, therefore, every organization tries to be customer oriented. Service organizations have also realized that to achieve their goals (survival) or go beyond that, they need to gain their customer satisfaction, since disregarding customer satisfaction which is the result of inattention to their demands and needs is conjoined with their failure [7].

### **Suggestions**

In this study, “customer oriented philosophy” had the highest priority for Kondor Company. The importance of customer and customer-orientation is so much that all organizational goals are leading to it. Therefore, it is recommended to researchers and scholars to investigate in customer relationship management in the chaotic world or study the relationship between customer relationship management and order in disorder theory.

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