

## STRATEGIC MARKETING AND QUALITY OF LIFE (1)

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*The strategic marketing phase is one of systematic and continuous analysis of market needs in which the concepts of high performance products or services are developed, further provide the qualitative difference to customer, and which target different categories of consumers, ensuring long-term competitive advantages while increasing their personal welfare and the one society in general. The term of quality of life has been introduced in the marketing literature in the last decade and is defined as a marketing practice designed to improve the welfare of clients while maintaining the welfare of other stakeholders of the company. This concept comes as a sequel of the concerns of the relational marketing specialists to provide a high quality offer to customers and add value to all other stakeholders interested in the smooth running of the company (suppliers, distributors, shareholders, employees, general public and various public bodies interacting with the company).*

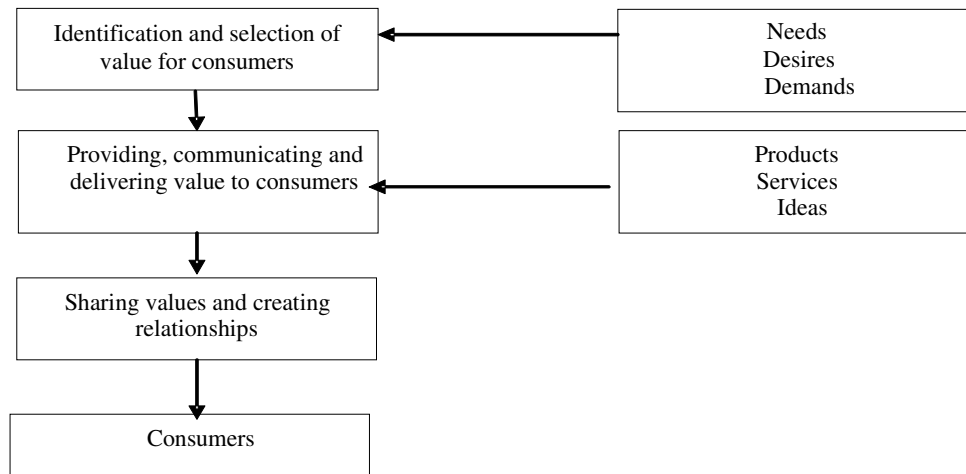
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### **I. Introduction**

Marketing is a managerial process by which organizations, groups or individuals get what they need and want by identifying, providing, communicating and delivering value to others ( Kotler 1999:78).The basic concepts that marketing applies are the needs and desires of consumers, the creation of value, products and services, exchange, communication and networking ( Doyle 2000:233-245) ( Table 1.).

Strategically speaking, marketing deals with managing long-term activities undertaken by the organization in order to gain competitive advantage. The organization allocates and uses its resources in a continuously changing marketing environment aimed at meeting consumer needs constantly while trying to raise to the expectations of different categories of "stakeholders". The strategic approach involves using a strategy which allows the organization to compete, to identify new market opportunities, develop and trade new products and services, to guide allocation of resources among the main activities of the market and also to guide the development of an organizational structure that helps to achieve predetermined performance levels.



*Figure 1. Basic concepts of marketing*

*Source: Adapted from Doyle P., (2000), Valuing marketing's contribution, European Management Journal, Vol. 18, p.233- 245*

Modern marketing is essentially strategic marketing, feature resulting from the very content, that requires the use of a specific mechanism whose operation is as shown above inextricably linked to the concept of strategy. Therefore, understanding the concept of strategic marketing requires first understanding the *strategic role of marketing*, coupled with understanding the place held by it in the enterprise management system.

Conducting today a comprehensive research in the departments of organizations from different industries and countries, would have undoubtedly staff involvement in a large number of marketing related activities. This could include collecting information about customers and competitors, development of the promoting and direct marketing strategy, interaction with scientific research and development department in the development of new products or in preparation of materials and necessary support for the sales force. No doubt most of these activities add value to the organization's market activities. The questions which naturally arise are the following: which of these activities are critical for the organization?, what are the basics of strategic marketing?, what are the roles that strategic marketing must meet to ensure that its function within the organization is relevant?

## **II. Strategic Marketing - Roles and Basic Principles**

The key roles that strategic marketing should fulfill within the organization are the following (Capon & Hulbert 2001: 102):

- role 1: *identifying and recommending market segments that the organization has to address to with its products;*
- role 2: *identifying and targeting market segments;*
- role 3: *setting strategic direction;*
- role 4: *building the market offer;*
- role 5: *ensuring support from other functions of the organization;*
- role 6: *monitoring and assessing the performance;*

Having clarified the main roles of strategic marketing, a natural step is to define the *strategic marketing principles*. Four principles are considered fundamental to the successful execution of marketing tasks. They are (Capon & Hulbert 2001: 133):

- the principle of selectivity and concentration;*

-the principle of value offered to the consumer;

-the principle of differential advantage;

-the principle of integration;

Considering the roles and basic principles of *strategic marketing* we can say this concept that is becoming widely used in the literature and practice of large companies, is thus a logical continuation of the process of marketing evolution. In general, the literature insists more on strategic marketing components, rather than on trying to define the actual concept. Thereby, strategic marketing is defined as "S.T.P." marketing, given the importance of segmentation, market target selection and positioning within marketing activity (Kotler 1999: 313). Other authors emphasize the importance of marketing in the management mechanism; defining strategic marketing as the strategic analysis and decisions process that management must perform in any organization to meet customer needs (Cravens 1987: 213). Finally, another category of definitions relies on the existence of strategic and operational processes in marketing planning (McDonald 2000: 216).

The strategic marketing phase is one of systematic and continuous analysis of market needs in which the concepts of high performance products or services are developed, further provide the qualitative difference to customer, and which target different categories of consumers, ensuring long-term competitive advantages while increasing their personal welfare and the one society in general. (Dumitru 2004:43).

Strategic marketing is not just a step in the development of marketing. He represents a core component of it. Viewed and addressed independently, this part represents a different, specialized field of marketing, reflecting itself in an occupational specialization and making subject to a distinct specialization within the educational systems. As a part of marketing this has developed along with the extensive development of it, being found mainly within areas of marketing as: internal and international, consumer goods, business to business, agro marketing, social, political, etc.

### **III. Evolution of the quality of life concept**

In the last three decades, the quality of life has become a major interest in the EU. An example is that the European Foundation for the Improvement of Living and Working Conditions (established in 1975, European Foundation for the Improvement of Living and Working Conditions, is based in Dublin, Republic of Ireland) launches regular research and monitoring programs in matters of quality of life (Marginean 2004: 215). The quality of life at a macroeconomic level has been discussed even since the '50s (EEA Report 2009: 13), when the main areas covered were the degree of happiness of individuals and society welfare. Up until that moment, in marketing theory and practice we found the orientation towards production, which mainly implied that, for whatever was produced there, there was a demand. Given the fact that during the period before the '50, supply and demand were in balance at that moment in the market, in the company there were no major concerns regarding the inability to find the necessary products, also because people needs and expectations hadn't yet known a major development either extensively (their number) or intensively (their intensity).

The concept of quality of life gained theoretical valences in the '70s, first in Scandinavian countries and the United States (Wallace and Abbott 2004: 109), for then to be found in thousands of scientific articles that debated the importance that society and each individual must give to improving life quality.

The starting point for developing the concept of quality of life in the United States was the fact that, although in full economic development, the society still faced with increased violence, crime and public disorder. Economic growth was not sufficient to describe the quality of life, thus in order to judge a nation's welfare, social indicators were important too. The source of quality of

life research is the development of awareness that economic development does not bring wealth and happiness (Băltătescu2009:13)

The consumerism of the '60s and '70s was considered to have a destructive effect not only on individual lives, but also on society. This leads to material overproduction which substantially affects the limited natural resources and destroying the environment. Herby, specialists of the period considered necessary to limit industrial development to mitigate its destructive effects on humanity, which can be obtained by limiting overconsumption (Marginean 2004: 220).

To some extent this attitude is contrary to the marketing objectives by which companies try to promote the consumption and purchase of products and services. In terms of evolution of the concept of marketing, during this period we encounter an orientation towards sales, when companies were trying to convince consumers of the need for products through an arsenal of techniques and marketing tools, sales forces being used mainly in direct relationship with the customer, even by going to his home.

The society's reaction to this attitude of the companies has resulted in the emergence of hippie ideologies when people protested against possible damage that large companies can bring to quality of life.

Although normally a continuation of the trend occurred in the 60s and 70s would have been the materialization of social policies to promote a high quality of life through non-economic instruments, the 80's recorded an economic trend to meet any kind of human need. Thus for the quality of life and the welfare of society it was resorted to market mechanisms, taking into account a high quality products and services. This was the period in which it was highly developed an objective evaluation of the quality of life.

In terms of marketing, the '80s were characterized by a competitive strategy development in which the companies were trying to differentiate themselves on the market through items of interest for the consumer, such as satisfying the needs at a top level , all based on providing products that could solve almost any problem or need of an individual. Given the changes in society and social trends in the periods presented above, the quality of life has gained increasing importance, primarily due to ecological movement that enforces valences both at a macroeconomic level (through guidelines and legislation) and at an individual level (by imprinting a socially responsible behavior ).During this period, the individual was concerned about his welfare, but also about the one in the society he lives, taking into account the warnings that were drawn regarding the planet's limited resources, and the imminent danger that excessive industrialization can bring to the environment. Immediate influence on marketing activity was noticed in the policy of reallocation of resources (McDonald 1998: 23), but also in environmental campaigns that appear on the market to improve the corporate image of organizations.

Such campaigns were based on a trend that has also materialized in our country in the last decade - corporate social responsibility. Through specific activities for this kind of direction, companies are trying to give back to the society in which they operate, in order to balance as much as they can the resources consumed - value given to society.

In Romania, researches on quality of life have emerged in the '70s, when politically, our country was trying to separate from the Soviet government, which encouraged the promotion of some western concepts, such as concern for the welfare and quality of life. These concepts were somehow promoted even by the state institutions, in order to highlight the desire of getting close to the Western countries. Following the opening to the West, in this period, namely in 1972, the concept of marketing appears for the first time in Romanian's higher education level, which was introduced as a discipline at The Academy of Economic Studies (Balaure 2002: 17).

During this period we have for the first time researches targeting population's satisfaction level on living standards. They established a national empirical research, which used as model the American quality of life measurement, research results being published in 1984.

A few representative works for the beginning of conceptualizing quality of life in Romania are: "Lifestyle and Quality of Life" (coordinators Ion Rebedeu and Catalin Zamfir- Political Ph., 1982), "Lifestyles. Their Dynamics in Contemporary Society "(coordinators Catalin Zamfir and Ion Rebedeu – Academy Ph., 1989)," Interpersonal Relations Culture "(Elena Zamfir - Political Ph., 1982)," Journey in the Human Universe "(Albatros Ph., 1989) (Marginean, 2004).

After the 1989 revolution, the quality of life has become more important in the context of the population's new expectations on improving the standard of living. This was also increased by the establishment, on January 2, 1990, of the Institute for Research of Quality of Life (ICCV) within Romanian Academy. The appearance of this institute, together with other organizations that target in their activity the study of quality of life, lead up to a vast specialized literature and a scientifically approached practice addressed with specific methods and indicators.

#### **IV. Changes in marketing strategy**

In terms of marketing, the period that followed the revolution of 1989 represented a development opportunity both extensively (marketing being applied in more and more companies from various industries) and intensively (companies deepening their techniques and marketing tools for an accurate adjustment of supply to demand).

Romania's EU accession opens further horizons of research on quality of life, taking into account the European directives promoting general programs to improve the quality of life and its certain specific components (such as health, welfare, public services, ecology, etc.).

Thereby various legislative directives appeared also in our country, directives which promote a certain lifestyle and therefore improving quality of life, such as the National Strategy for Sustainable Development of Romania - 2013-2020-2030 Horizons.

These European directives influence marketing activities of the companies through rules and guidelines that companies must comply with regarding the manner in which the products are made, the packaging they use, their recycling, pollution control and promotion of organizational behavior socially responsible.

The link between quality of life and marketing is even more obviously given by the new paradigm of it - relationship marketing. It focuses on building long term relationships with clients, based on their level of satisfaction felt in relation to company products and services. Starting from this philosophy of relationship marketing, we can say that marketers tend to a subjective definition of quality of life, depending on individual needs and their level of satisfaction.

The term quality of life has been introduced in the marketing literature in the last decade, which is defined as a marketing practice designed to improve the welfare of clients while maintaining the welfare of other stakeholders of the company (Lee 2004: 45). This concept comes as a sequel of the concerns of the relational marketing specialists to provide a high quality offer to customers and add value to all other stakeholders interested in the smooth running of the company (suppliers, distributors, shareholders, employees, general public and various public bodies interacting with the company).

#### **V. Note**

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