

PERSPECTIVES ON MARKETING AND ORGANIZATIONAL ADVERTISING

Alina Țenescu

Senior Lecturer PhD, University of Craiova
alinatenescu@gmail.com

Abstract

The main objective of this paper is to show several perspectives on marketing and organizational advertising, as fields of research, training and practice. We also aim to highlight the relationship between the two concepts: “marketing” and “advertising of organizations”.

Keywords: organizational advertising, organizational marketing, perspectives, practice, research, training.

JEL classification: A10, H10, O10

1 INTRODUCTION

Since marketing represents nowadays the art of satisfying the consumer and as it holds a major role in obtaining success at a company's level, not only are specialists and practitioners interested in finding out how companies and firms can use marketing and its tools in order to gain benefits on the market and obtain profit, but they also seek to comprehend how organizational marketing is set up in a circumstance characterized by an important increase in consumers' demands of a company's products or services and by an expansion of a company's production capacities so that it is necessary to focus on the company's sales and to understand the way organizational marketing and organizational markets work in practice. The researchers' objective would be to "open up the field of organizational marketing in a [...] structured [...] way" (Wilson, 1999: 3) so as both practitioners and readers understand organizational marketing and organizational markets as they are practiced rather than how they might be conceived, all the more so as theorists and researchers are faced with an ever more "growing dissatisfaction" with the mechanistic approaches of both concepts.

At the core of our analysis, we should highlight the modern evolution of inter-organizational relationship marketing which many researchers (Buttle, 1996; Groonroos, 1994; Gummesson, 1987) regard as a foundation for the management of intricate marketing relationships amongst organizations surviving in an unpredictable environment and of the relationships between marketing and advertising activities inside the same organizations. This would thus allow us to open-mindedly explore several perspectives on marketing and organizational advertising rather than favoring one perspective by overlooking others.

2 ORGANIZATIONAL MARKETING AND ADVERTISING OF ORGANIZATIONS

With the marketing of organizations, we move towards a perspective where marketing attempts to create and support the emergence of an efficient and effective trade organization overseeing, organizing and supervising the outputs of manufactured products, while the enterprise focuses its attention on the correct segmentation and targeting of the public (consumers) with products meant for them (Wind & Bell, 2007: 222). The ever growing and expanding markets for the company's products, new means of distribution, the psychological remoteness and the physical distance existing between producers and consumers, as well as the consumers' possible reluctance to buy reflect the changes that occur in the environment where the organization unfolds its activities,

accounting for this new direction in the marketing of organizations. The commercial department and management of an organization perform several functions centred on the physical distribution of the company's products, on organizational trade policies, on the commissioning of trade networks, on advertising and promotion of goods and on the performance of market and consumer studies. The marketing specific to an organization also takes into consideration the consumers' possible reluctance to buy the company's products and that is precisely what justifies the fact that it envisages stimulating and triggering their purchase of products by sometimes using and activating powerful, aggressive promotional and advertising techniques.

There is yet a major distinction to be made between two different meanings of the syntagm "organizational marketing". The traditional meaning of organizational marketing equates with "marketing of organizations" and defines a complex field of marketing comprising the relationships of exchange between organizations and their consumers, taking into account the significance of consumer market. The second meaning is revealed by the new perspective considered by Wilson (*op.cit.*) which construes organizational marketing as a field of practice and research grasping the "forms of exchange relationships" between an organization and another organization, reflecting the importance, both in theory and in practice, of organizational markets, rather than of consumer markets.

Even though the issues of organizational marketing superpose debates on consumer marketing or behavioural marketing, promotional marketing (*cf.* Zahorsky, 2016) or production management, we become aware that distinctions amongst fields or topics of marketing do not reveal absolute differences; on the contrary, the different fields of study of marketing are interdependent. A first step to be taken is to subsume organizational marketing to marketing management (Kotler and Keller, 2006; Kotler and al., 2008; Ries and Trout, 2000), as the latter is a hypernym of the former (hyponym), implying the practical application of marketing orientations, methods, strategies (Jeannet and Hennessey, 2001) and techniques inside different organizations, as well as the management of a company's marketing resources and activities. A second step would be to discern amongst the categorizations of organizational marketing, to differentiate between the traditional and the modern meaning, as well as to identify its subclasses (buying behaviour, consumer behaviour and so on) and analyze the specifics of marketing mix with its 4 Ps: people, product, price and promotion (or product, place, price and promotion). A third step would consist in seizing the modern meaning of the syntagm, revealing the pluridimensional facets of organizational marketing, insisting on the exchange relationships between organizations and coping with the challenges brought by complex experiences in organizational markets nowadays.

Since the second step we have mentioned above includes the analysis of the specifics of marketing mix, we should emphasize the importance of the 4th P: promotion – that is publicity or advertising – as well as the relevance of the relationship between organizational marketing and advertising. Institutional or organizational advertising conceives the promotional and advertising messages meant to create an image (for the organization), to increase its reputation, to practice charity and goodwill, to promote its philosophy and advocate its ideas, instead of supporting promotion of sales. When organizational advertising is used by an institution in order to market and advertise itself rather than its products and services, the term “corporate advertising” is employed most often than not. A lot of organizations nowadays apply and use institutional advertising, by supporting local or disadvantaged communities, by supplying funding for child care or children education. Unlike product advertising, institutional (organizational) advertising constitutes a type of advertising that is mainly employed in order to improve an organization’s image instead of promoting one of its products. A well-known subtype of organizational advertising is *advocacy* advertising. This form of institutional advertising centers on organizations which have had to use advertising in order to answer to controversial media attacks directed at them. An example would be an alcoholic beverage company like Anheuser-Busch that shows how much of their profit is given to promote a cause directly related to its products. The overall promotional strategies have been chosen to show, through the “Drink responsibly” campaign, how the alcoholic beverage (beer) company supports a cause linked to its products on the market, by releasing audio-visual messages (scenarios) illustrating the importance of choosing a designated driver so as to avoid driving drunk, while at the same time dodging attacks from individuals (consumers or certified critics) who feel they should condemn alcohol providers for the increasing number of drunk driving car accidents. By targeting social issues in order to grasp and seize the public opinion’s eye, the company has succeeded in improving its brand image.

Even though the common meaning of organizational/institutional advertising is a type of radio, TV, digital or print or social media advertising (Sălcudean, 2015: 129; Sălcudean, Mureșan, 2017: 109) meant to promote an organization, an institution or a company, without trying to sell anything directly, and generally informing the target public about how the company is involved in local community’s causes or about how the organization is doing something for society in areas such as education, employment or health, thus emphasizing the positive side of advertising, there is also an unfavorable side of it. This unfavorable outlook starts from a perception of institutional advertising as “a segment of the communication between the organization and the users of its products”

(Thyssen: 2011), with a supplementary twist revealing that advertising uses a “hidden address” to approach other receivers such as the company’s investors, employees, stakeholders and non-users.

3 CONCLUSION

The current paper identifies and synthesizes several perspectives on organizational marketing and on the relationship between organizational marketing and institutional advertising, by emphasizing traditional and modern meanings of organizational marketing and by discerning two different facets of institutional (organizational advertising): a positive side and an unfavorable hidden side.

REFERENCES

- Buttle, F.ed., 1996. “Environmental Scanning”. In Baker, M.J. ed., *The Marketing Book*. 139-192. Portsmouth: Heinemann.
- Groonroos, C., 1994. “Quo Vadis Marketing? Towards a Relationship Marketing Paradigm”. In *Journal of Marketing Management*, no 10, 347-360.
- Gummesson, E., 1987. “The New Marketing: Developing Long-Term Interactive Relationships”. In *Long Range Planning*, no 20(4), 10-20.
- Jeannet, J.P., Hennessey, H.D., 2001. *Global Marketing Strategies*. Boston: Houghton Mifflin Company.
- Kotler, Philip, Keller, Kevin Lane, 2006. *Marketing Management*. 12th Edition. New Jersey: Pearson Prentice Hall.
- Kotler, Philip, Armstrong, Gary, Saunders, John, Wong, Veronica, 2008. *Principles of Marketing*. New Jersey: Prentice Hall.
- Ries, Al, Trout, Jack, 2000. *Positioning: the Battle for Your Mind*. 20th Edition. New York: McGraw Hill.
- Sălcudean, Minodora, Mureșan, Raluca, 2017. “The Emotional Impact of Traditional and New Media in Social Events”, in *Comunicar, Tecnologías Y Segundas Lenguas*, Vol. XXV, no 50, Jan. 2017, pp. 109-118.
- Sălcudean, Minodora, 2015. *New Media, Social Media și jurnalismul actual*, București: Ed. Tritonic.
- Thyssen, Ole, 2011. “Organizational Advertising”. In *Aesthetic Communication*. 213-249. London: Palgrave MacMillan.
- Wilson, Dominic, 1999. *Organizational Marketing*. 1st edition. Cengage Learning EMEA.
- Wind, Yoram Jerry, Bell, David R., 2007. “Market Sergmentation”. In Baker, Michael J., Hart, Susan eds., *The Marketing Book*. 222-244. London: Routledge.

Zahorsky, Darrell, 2016. "Creating Powerful Promotional Marketing" in *The Balance*, 29th of September 2016. Available at

<https://www.thebalance.com/creating-powerful-promotional-marketing-2951157>.

***, "The Marketing Mix and the Four Ps of Marketing". Available at

https://www.mindtools.com/pages/article/newSTR_94.htm

***, "Examples of Advocacy Ads". Available at

<http://yourbusiness.azcentral.com/examples-advocacy-ads-12699.html>