

International Journal of Advanced Research in Science, Engineering and Technology

Vol. 8, Issue 5 , May 2021

Relationship of Strategy and Status of Marketing Service in the Enterprise

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ABSTRACT: The article presents the authors' approach to the question of the relationship between the strategy and the status of the marketing service in the enterprise, based on the concept of strategic marketing. Strategic marketing focuses the attention of the enterprise on the consumer, contributes to the creation of customer value and the creation of a market-oriented enterprise. The prerequisites for the transition of marketing to a higher strategic level are formed under the influence of high dynamism and external instability.

KEYWORDS: marketing, strategic marketing, strategy, enterprise, industry, market orientation, interconnection, core competence, customer value.

I.INTRODUCTION

The rapid development of technology, increasing consumer demands, tougher competition at the global level, profound social changes - all this opens up wide opportunities in various areas of economic activity.

Businesses are currently changing their organizational structure, strategies and attitudes towards marketing as they strive to get closer to their customers, eliminate competitive threats and strengthen their competitive advantage. The relationship between the strategy, the status of the marketing service and the organizational structure of the enterprise is the basis of the mechanism for improving the management system of an industrial enterprise, aimed at creating its market orientation. The article examines the relationship between two elements of the mechanism - the strategy of an industrial enterprise and the status of the marketing service.

The main ideas of a strategic approach to management are: the idea of organically consistent adaptation of the organization to the changing environment, as well as the idea of a targeted approach to solving any management problems and organizing the management system as a whole using market-oriented planning. In essence, a strategy is a set of decision-making rules that guide an enterprise in its activities.

The elements of a classic corporate strategy are:

- 1. Scale of activity and mission of the enterprise.
- 2. The objectives of the enterprise.
- 3. Development strategy.
- 4. Allocation of resources.
- 5. Components of synergy.



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Such characteristics of the external environment as the magnitude of demand, the intensity of competition, government regulation and demographic changes affect the performance of enterprises, but objective data indicate that, to a large extent, the performance of an enterprise is determined by its corporate strategy.

Strategic marketing is aimed at improving the efficiency of the enterprise as a whole. The goal of strategic marketing is to create exceptional customer value by creating a corporate strategy for market orientation. Strategic marketing serves as a link connecting the enterprise with its external environment, and considers the marketing function as the fundamental basis of the enterprise as a whole, therefore, strategic marketing is an indicator of the very high status of the marketing service in the enterprise. Table 1 shows the names and scores that are assigned to the various statuses of the marketing service.

Description of the intra-company status of the marketing service	CCM rating scale	Marketing Service Status
There is no marketing content in the activity	0	Zero Marketing
Marketing is part of the commercial service	1	Unit Marketing
Marketing and sales services have an equal footing	2	Initial marketing
Sales activities are carried out under the control of marketing	3	Complete marketing
Marketing is the main function of the enterprise	4	Strategic Marketing

Table 1. Assessment of the status of the marketing service in the enterprise

The table shows that strategic marketing is currently the highest status that an enterprise needs to strive for. But the main thing is to remember about a systematic approach to transformations and improve the activities of the enterprise in order to achieve the highest status along with the achievement of the appropriate structure and strategy of the enterprise. The development and maintenance of a market-oriented strategy is the main direction of strategic marketing.

The initial stage of the process of creating a market orientation strategy involves an in-depth study of the market served by the enterprise and the consumers that shape that market. Market orientation focuses attention on the consumer, involves tracking the actions of competitors and the interaction of various functional departments of the enterprise.

Market orientation is, on the one hand, the corporate culture of an enterprise, and on the other, the process of creating exceptional customer value.

The process of market orientation itself provides for a number of activities:



International Journal of Advanced Research in Science, Engineering and Technology

ISSN: 2350-0328

Vol. 8, Issue 5 , May 2021

• collection of information about consumers;

• collecting information about competitors;

• collecting information about the markets;

• analysis of the collected information, considering the strategic prospects of the business;

• choosing a decision to maximize the value of the product in the minds of consumers;

• development of measures to provide this value to consumers.

Establishing and maintaining close relationships with its customers is an important step in the process of finding a market orientation for an enterprise. Such a relationship is beneficial to both parties through a two-way process of information exchange and mutual cooperation. Consumers are a valuable asset to the company.

Knowing your competitors is just as important as knowing your customers. An enterprise's inability to recognize and respond quickly to threats from competitors can have serious consequences.

Market research involves more than just gathering information. This process also provides for its distribution among various functional divisions of the enterprise, analysis of information and the development of a strategy for further actions based on the results of this analysis.

The market orientation strategy assumes that the attention of the enterprise is focused on its core competencies. Key competencies are a set of skills and knowledge used by an enterprise in its activities and allowing to achieve the effectiveness of this activity.

Core competencies are not a separate function or asset of an enterprise. Competencies are integrated into the main functional processes of the enterprise. Key competencies play an important role in shaping a market-oriented strategy.

Determining which core competence should be prioritized is not an easy task. The presented three characteristics facilitate the task of defining the key competencies of the enterprise:

- competitive advantage;
- complexity of duplication;
- versatility (competitive advantage in different situations).

Creation of exceptional customer value, which is the resulting element of the market orientation of the enterprise, presupposes effective cooperation between all functional divisions of the enterprise. Market orientation aims to remove traditional barriers between different functional units to create customer value.

Consumer value is the benefits received from the product minus the cost of purchasing it. Benefits include: the product itself, accompanying service, experience gained in the process of receiving the product, and personal impressions of the product. Cost is the money spent on the purchase, the time and effort spent, and the moral cost (the risk associated with the product). Exceptional customer value is characterized by a high degree of superiority of the favorable consumer experience over initial customer expectations and the customer value offered by competitors. The most effective ways to create customer value are determined based on the competencies of the enterprise. Measures to increase customer value contribute to the formation of the market orientation of the enterprise and the strengthening of its key competencies.



International Journal of Advanced Research in Science, Engineering and Technology

ISSN: 2350-0328

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A successful market orientation strategy provides a number of benefits and is designed to ensure the efficient operation of the enterprise.

From the above material, we can conclude about the main components of a market-oriented strategy:

- elements of corporate strategy;
- market and consumer research;
- tracking competitors;
- key competencies of the enterprise;
- creation of exceptional customer value.

These elements do not exist separately, but consistently complement each other.

The above elements of a market-oriented strategy cannot be implemented without the necessary resources. The accumulation of resources is handled by the marketing department and the specialists working in this service.

Taking the ideal development of the situation as a condition, we can state the existence of such a relationship between the strategy of an industrial enterprise and the status of the marketing service:

1. The classical corporate strategy (mission, goals, directions of development, resources, etc.) is created at the enterprise, regardless of whether there is marketing in the enterprise. Therefore, this strategy is assigned a value of 1, which corresponds to zero marketing according to the developed scale for assessing the status of the marketing service in the enterprise (Table 1).

2. Such an element of the strategy as the analysis of the market and consumers is not possible without marketing tools, therefore, this element, together with the classical corporate strategy, is assigned a value of 2, which corresponds to single marketing, since to carry out such an analysis, it is enough to have a marketing line of activity in the sales functions.

3. Competitor tracking implies closer collaboration with the sales department and access to information about strategic partners, so joining this element to a strategy that has elements of the first and second elements is rated as a value of 3 and such a status of the marketing service as initial. The status of the marketing service at this level implies some independence and responsibility of this service.

4. The key competence of the company assumes the functional cooperation of the marketing service with all divisions of the enterprise as a separate and independent direction of the enterprise's activity, therefore, the addition of this element to the strategy is estimated at 4, which corresponds to full marketing.

5. Creation of exceptional customer value is at the moment the peak of the company's market orientation, therefore, with this element, the strategy has the right to be called "market oriented", which corresponds to a value of 5 in the rating scale and an increase in the status of the marketing service to strategic marketing. Because strategic marketing, highlighting the task of focusing on the consumer, has the ability to have a real impact on other divisions of the enterprise in the direction of changing the approach to consumers. The described relationship is illustrated in Table 2.



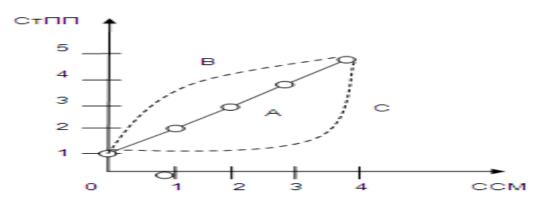
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 Table 2. The relationship between market-oriented strategy and the status of the marketing service in an industrial enterprise

An element of a market- oriented industrial enterprise strategy	Evaluation scale of industrial enterprise strategy	The rating scale for the status of the marketing service	Description of CCM
Corporate strategy	1	0	Zero Marketing
Market and consumers	2	1	Unit Marketing
Competitors	3	2	Initial marketing
Key competencies	4	3	Complete marketing
Exceptional customer value	5	4	Strategic Marketing

As a result of the analysis of the components of the strategy of market orientation, we identified the relationship between the intra-firm status of the marketing service and the strategy of an industrial enterprise. This relationship is graphically shown in Figure 1.



where $Cm\Pi\Pi$ is the strategy of an industrial enterprise, CCM is the status of the marketing service

Figure 1. The relationship between the strategy of an industrial enterprise and the status of the marketing service

Straight line "A" is built according to the data in the table, this line reflects the ideal variant of the simultaneous progressive development of the strategy of an industrial enterprise and the status of the marketing service. Curves "B" and "C" show options for advancing the development of one of the elements. This is possible provided that the enterprise uses advanced approaches to creating a strategy under the influence of external factors and the development of scientific approaches, and the change in the status of the marketing service is delayed, which does not give an effect from the work done - option "C". Option "B" corresponds to a situation when increased attention in the enterprise to the



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status of the marketing service leads to the fact that the management acts by increasing the status of this service, but ignores the results of its work, as a result, marketing is ineffective.

Applying this relationship, the company can independently analyze its strategy and the status of the marketing service and work out solutions for their development.

Enterprises where marketing is a business philosophy are rare in the Uzbek industrial market. There are several reasons for this phenomenon:

- the market allows businesses to exist and make a profit without spending additional funds on marketing;
- the success of an enterprise is often determined not by market reasons;
- lack of knowledge about modern management methods.

It is necessary to eliminate these reasons, to improve the management system of industrial enterprises for their further development and maintenance of competitiveness.

The change in the status of the marketing service at an industrial enterprise and, accordingly, the development of a market-oriented strategy will allow the enterprise to move to a market orientation, which will positively affect its competitiveness, profitability and development success.

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