

Effects of marketing in different stages of development

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Abstract

In everyday life, by reason of ignorance of the essence of marketing, we come across numerous cases of misuse and improper understanding of word marketing. Nowadays people have more the attitude in the consciousness of the need for understanding and recognition of the right meaning of the word marketing. There are many definitions about Marketing in literature and contemporary practice, each attempt to define the term marketing can only partly be understood as successful and complete. Indeed, it is impossible to define and summarize in only a few sentences everything that has to do with marketing as a process and its roles. Marketing specialists need to identify the concerns and desires of consumers to be able to target their minds, hearts and souls. In the paradox of globalization, concern and common consumer's desire is to make the society and the world a better place and even an ideal place to live. Some companies are doing a kind of differentiation through corporate philanthropy for social or environmental causes. Now we are witnessing the birth of Marketing 3.0.

In a world full of confusion, they are looking for those companies that can complement them deeper for social justice, economic and environmental mission, vision and company values that they represent. In selecting products and services, people not only demand the fulfillment of their functional and emotional, but also the human spiritual fulfillment.

The third force that gives impetus to the creation of marketing 3.0 is the emergence of creative society. People in creative society are people who have developed the activity of the right brain hemisphere and working in creative sectors such as science, arts and professional services.

Based on these facts the era of marketing 3.0 is the era where marketing practices are strongly affected by changes in consumer behaviors and attitudes. It is the most sophisticated customer-centric era where the customer requires more cooperative attitudes, cultural and spiritual marketing.

Keywords: marketing, value, costumer, service, human.

Introduction

As we know, marketing is more widespread than sales or publicity activity. American Marketing Association (2008) offers the following definition: "Marketing is the activity, community institutions and processes for creating, communicating, delivering and exchanging offerings that have value for customers, partners and society in general". Marketing 3.0 idea was conceived initially in Asia, in November 2005, by a group of marketing consultants, of a company for marketing services based in Southeast Asian, led by Kartajaya. After two years of cooperation for further development of this concept, Kotler and Kartajaya published a manuscript in the 40-th anniversary of the Association of Southeast Asian Nations (ASEAN) in Jakarta.

Why Marketing 3.0?

Over the years, marketing has evolved through three stages, which we call, Marketing 1.0, 2.0, and 3.0. Many marketers today still practice marketing 1.0, 2.0 and some marketing practices are moving towards marketing 3.0. Greater opportunities will belong to those markets that practice marketing 3.0. Long time ago, during the industrial era when technology constituted the core of industrial machinery, marketing served for the sale of goods produced by factories, to all those who can buy them. Products were simply the most important and were designed to serve a wide market. T Model of Henry Ford's car characterizes this strategy. Ford once said: "Any customer can have a car painted any kind of ink he wants, as long as it is black." This was Marketing 1.0, or age-oriented product (product - centric).

Marketing 2.0 appeared in today's information era - where the base is information technology. The marketing task is not as simple. Today's consumers are well informed and have the opportunity to easily compare several similar product offerings. Product value is determined by the customer.

Consumers differ much in terms of their pre-approvals. The golden rule, according to which "the customer is king", gives good results for most companies. Customers feel more satisfied that desires and needs are better taken into account. They can select within a range of features and functional alternatives. Today's marketing professionals try to touch customer's mind and heart.

Now, more and more, consumers are constantly seeking to resolve their concerns, making a globalized world, a better place. In a world full of confusion, they are looking for those companies, which can fulfill their deepest needs for social justice, economic and environmental mission, vision and company values that they represent. In selecting products and services, people not only demand the fulfillment of their functional and emotional needs, but also the human spiritual fulfillment.

Table 1.1. Comparison between marketing 1.0, 2.0 and 3.0.

	1.0 Marketing	2.0 Marketing	3.0 Marketing
	Product-centric Marketing	Consumer oriented Marketing	Marketing developed by values
Target	Sale of products	Customer satisfaction and retention.	Making the world a better place.
Enabling forces as companies see the market	Industrial revolution	Information Technology.	New Technology Wave .
Key marketing concept.	Measure of customer with physical needs.	Wider mind Customers and heart.	Are completely human mind, heart and soul.
Principles of Marketing companies.	Product development.	Differentiation.	Values .
Schemes values.	Product Specification.	Corporate positioning and product.	Mission, vision and corporate values.
Interaction with customers.	Functional.	Functional and emotional.	Functional, emotional and spiritual.
	Transactions with many others.	One to one relationship.	Cooperation of many to many.

In times of global economic crisis, marketing 3.0 gets a marketing sense in the lives of consumers as they face the changes and numerous social upheaval, economic and environmental. Diseases return to epidemic diseases, poverty increases and environmental destruction is going on.

Companies that practice marketing 3.0 offer answers and hope people who cope with such problems and in that way they affect to the clients on a higher level. In marketing 3.0, companies differ from one another according to their values.

The era of globalization and cultural marketing

Besides the impact of technology in shaping new customer attitudes toward marketing 3.0, another major force has been globalization. Globalization is driven by technology. Information technology enables the exchange of information between nations, corporations and individuals across the world, and transportation technology facilitates trade and other physical exchanges in global value chains. Globalization opens the way, but also creates pressure on nations and people across the world. We consider two opposing views of Friedman and Samuelson, where one represents globalization and the other one represents the nationalism.

On the one hand Friedman (2005) argues in "The world is flat", that today's world is borderless. Flow of Goods and People services can move without difficulty, as a result of low cost transportation and information technology. On the other hand in his article, "The world is still round," Samuelson (2005) argues that national borders will remain, because they are driven by politics and psychology.

Globalization flattens the playing field for nations across the world, but at the same time it also threatens nations. Consequently, countries will protect their markets against globalization. In other words, globalization provokes nationalism.

A major effect of the paradox of globalization is that companies have already introduced competition to be seen as reassuring continuity, communications and management. According to Holt (2004) cultural brands aim to solve the paradoxes in society. So, cultural brands should always be aware of the paradoxes of new phenomena that change the time.

In 1970, Coca-Cola created an advertisement that promoted the song, "I'd like to teach the world to sing" At that time this was something daily, because the US society was divided in terms of the support of the war in Vietnam. In the fight against global brands, cultural brands play the role of a distinguished son against the wicked one. These brands highlight nationalism and protectionism, because they intend to become cultural icons for the local society.

Several well-known global brands are built on an ongoing status of their cultural brand, e.g. Mc Donald positioned itself as an icon of globalization. With this, the company strives to create the notion that globalization is a symbol of peace and cooperation and that is suitable for almost anyone in the world. In the article "The Lexus and the Olive Tree," Friedman (2000) explained the theory of "the Golden Arches" (the symbol of the global chain of McDonald's), as a factor to avoid conflicts, according to which states that countries with McDonald's restaurants never entered into war with each other. Later in the article, "The world is flat," Freedman changed his theory on "Dell's

Theory avoiding conflicts" which states that no country connected to the chain of supplies Dell, has never come into conflict with each other.

Cultural Marketing constitutes the second block of Marketing 3.0. Marketing 3.0 is a practice dealing with distress and desires of global citizens. Companies that practice 3.0 marketing need to understand the issues of those communities that are related to their businesses.

Fortunately, the concept of public interest has already been foretold in the definition of new marketing, established in 2008 by the American Association of Marketing which states: *"Marketing is the activity, set of institutions, and processes for creating, communicating, distributing and exchanging offerings that Domestic Customer have value for clients, partners and society in general"*

Adding the term "society" a new definition accepts that marketing impacts at large-scale private relations of individuals and companies. This already shows that marketing is ready to deal with the cultural effects of globalization. Marketing 3.0 is the marketing that puts cultural issues at the heart of the model of a company.

The era of creative society and the human spiritual marketing

The third force that gives impetus to the creation of marketing 3.0 is the birth of creative society. People in creative society are people who have developed the activity of the right brain hemisphere and working in creative sectors such as science, arts and professional services. This type of society by Daniel (2005) in "A completely new mind", is the highest degree of social development in human civilization. Research suggests that, although the number of creative people is much smaller than the number of working-class people, their role in society is gaining more and more power. They are mainly people who create and use innovative technologies and concepts. According to Zohar (1990), creativity makes human beings different from other creatures on earth. In fact, creative people are strong believers of inverted pyramid of Maslow. Defining spirituality as: "An assessment of the intangible aspects of life and allegations of an eternal reality" really finds its use in creative society. Gary (2002), in his book "The heart of the soul," spirituality is replacing more and more the concept of survival as a primary human trial.

As creative people, and companies need to think about their self-excellence, beyond the material objectives. They must understand what they are and why deal with that kind of business. They must know what they want to become. All these must exist in missions, visions and values of the corporation. The benefits will come from the assessment of customers that will provide assistance to human welfare companies. This is spiritual marketing, from the viewpoint of a company. This is the third block of 3.0 marketing Builder. Marketing 3.0 era is the era where marketing practices strongly influenced by changes in consumer behavior and attitudes. It is the most sophisticated customer-centric era where the customer requires more cooperative attitudes, cultural and spiritual marketing.

Table 1.1 3.0 marketing building blocks

Building blocks	reasons	
Contents	cooperative marketing	Participation Age (incentive)
What to offer		
Context	Cultural marketing	The Paradox of globalization era
How to offer	spiritual marketing	The Era of creativity (the solution)

The next marketing model 3.0

Marketing has been one of the most discussed subjects in the business world over the past six decades. Finally, marketing is revolving around three major disciplines: product management, customer management and brand management. In fact, marketing concepts developed by focusing on product management, during the 1950s and 1960s, were added the discipline of brand management, during 1990 and 2000. Since Neil Borden invented the term "marketing mix" in 1950 and Jerome McCarthy introduced the four P's in 1960, marketing concepts have undergone significant changes that fit while changing environment.

Initially, marketing was seen simply as one of the important functions that help produce along with finance and human resources.

Conclusions

As we know Marketing's key function was to create demand for products. The four P's of McCarthy explained exactly standard practice product management of those days: develop a product, determine the price, do promotion, and determine the distribution. Environmental change forced marketing professionals to think more and create better concepts. Nowadays, there is more confidence in horizontal relationships rather than vertical relations. Consumers trust each other more than they believe in companies. Strengthening of social media is simply a reflection of the peregrination of faith from that of companies, to that of other customers.

According to the survey of Nielsen Global Survey, there are few customers who rely on promotions trumpeted by companies. Consumers are turning word of mouth as a new form of advertising and reliable, which may trust. About 90% of consumers trust the recommendations of people who do know. Moreover, 70% of consumers trust online opinions transmitted by other customers. Even marketing may be responsible for the decline in consumer confidence (being frequent promotions swollen about the data or changes the product from those of competitors, in order to increase its sales), but on the other hand, marketing also has a larger chance to give a solution to this issue. After all, Marketing is the management process that is closer to the customer.

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