Competitive Success: Ambition or Necessity?

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Abstract

Any company multinational that operates in a competitive market will ask a series of questions to find solutions to achieve profitable business. From a marketing perspective, competitive success can not be achieved by change but through sustained efforts, consistent towards the adoption and implementation of competitive strategies capable of leading the company to achieve a better competitive position on the relevant market. Marketing strategy is built from a careful analysis capabilities available company so that they can be given a unique value target consumers and at the same time, to achieve differentiation from other competitor offer.

Keywords: competitive marketing strategy, competitive positioning, core competencies

1. Introduction

In a global economy dominated by strong competition and rapid changes in consumer behavior towards mentality and consumption of consumer goods and services, managers need to find viable solutions to maintain competitive position held. This is not possible without a “market and product awareness” (Kotler, 1994), without clearly defined strategic direction to show “how an organization uses strategy to adopt and/or changing environmental aspects more favorable alignment” (Manu and Sriram, 1996). Based on targeting and knowledge of customer needs, managers try to develop competitive skills based on practical marketing concepts such as marked segmentation, positioning, marketing strategy, marketing mix, etc.

According to the authors W. J. Keegan, J. H. Davidson and E. A. Brill (2003), strategic focus includes the following efforts by the organization:

(1) to be profitable; to achieve an appropriate balance between business needs expressed in terms of profit and consumer needs for a certain value;
(2) to be offensive; behave proactively, to “shape” the market, prompting other competitors to follow;
(3) to integrate marketing vision at all hierarchical levels;
(4) to adopt a strategy; it requires careful consideration of the competition;
(5) to effectively execute strategy with daily deployment plan based on deadlines.

Regarding marketing strategy, its purpose it well known by managers, namely placing the organization in a favorable competitive position and, at the same time, lead to value creation and competitive advantage. When developing a competitive advantage, the focus will be on...
two essential factors: it must always be based on something of value to the customer and not price alone and it must be sustainable (Brooksbank, 1994).

**Competitive Positioning**

Competitive positioning is not about the organization aims to provide marked through marketing strategy but what they charge consumers vis-à-vis this offer. Clear differentiation by specific marketing allows easier identification of this offer by consumers. It is considered that there are two steps for obtaining the competitive position (Darling, 2001):

1. establishing the initial market offering in the minds of consumers and
2. differentiating the market offering from competitors in the minds of consumers.

Based on Porter (1985), Prahalad and Hamel (1990), Hunt and Morgan (1995), Slaters and Narver (1995)... managers tried to seek out market based sources of advantage through differentiation, cost reduction or focus, and finally to find advantage through an internal analysis. Capabilities of the organization must be determined through a detailed comparative analysis of what the organization has compared to other direct competitors. Once known strengths of the competitors, managers will focus on developing the ability to learn faster than their competitors and to transform this into a competitive advantage (Dickson, 1992). This competitive advantage should be seen as a superior marketplace position based on providing customer value and/or the achievement of lower relative costs, which results in market share dominance and business performance (Hunt and Morgan, 1995; Day and Wensley, 1988). But the question which troubled many managers of this powerful organization in the European market will be on the identification of core competencies.

**Core Competencies**

Core competencies are the unique ability of the company can not be copied by direct competitors and giving them a competitive advantage in creating and providing value target consumers.

Namely “core capabilities” or “distinctive competencies” this concept was developed by C. K. Prahalad and G. Hamel in a series of articles and in the book “Competing for the Future” (1994), they stressed that these capabilities must be competitively unique.

Also, this capabilities will change over time and it really is essential to achieve this by repeated assessments by managers due to changes in the environmental factors.

According to P. Kotler and Keller (2009) “a core competency has three characteristics:

1. it is a source of competitive advantage in that it makes a significant contribution to perceived customer benefit;
2. it has applications in a wide variety of markets;
3. it is difficult for competitors to imitate”.

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Between choosing these core competencies and implemented marketing strategy should be a direct link because the strong competitive strategies are considering offer existing competitors on the relevant market but also in the implementation of marketing in the company.

The authors Tvede and Ohnemus (2001) an approach to marketing strategies based on two distinct situations, positive and negative, on action than can be taken and existing marketing skills.

Table 1. Criteria for selection of competitive marketing strategies

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<th>Competitor with a better offer</th>
<th>Weaker competitor offer</th>
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<td>Competitor with a better marketing</td>
<td>• improving supply&lt;br&gt;• differentiation&lt;br&gt;• developing a stronger network&lt;br&gt;• implementation strategies&lt;br&gt;• faster introduction of products on the market</td>
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<tr>
<td>Weaker competitor marketing</td>
<td>• improving supply&lt;br&gt;• cooperation&lt;br&gt;• stronger implementation strategies&lt;br&gt;• compete at the same level&lt;br&gt;• faster introduction of products on the market</td>
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These competitive strategies can be addressed if the analysis of the competitive situation of the company is depending on the position of a competitors. But the difficulty of identifying direct competitor and, especially supply and marketing analysis developed by the company can be a serious impediment to the correct choice of these strategies according to two criteria presented. These competitive strategies are only guiding framework, choosing the best strategic choice is an example of marketing skill and craftsmanship of those who use them (Cruceru, 2000). However, managers of these company are interested to analyse, identify and develop marketing skills necessary to achieve competitive success. How strategic orientation of the company is considering two components, customers and competitors, it is obvious that the starting point is the marketing analysis. According to Radulescu (2012) “an important step in
the analysis is to determine the estimated market, in other words the size of the market in which the company proposes to achieve over a period of time and the potential marked, defined as the side of the maximum possible achievable”. It can be concluded that the existence of marketing specialists company is imperative to make these decisions and to have a goal of competitive success. But alone, marketers will not do this, because it requires management and open to the strategic orientation. Therefore, organizational capabilities can be classified into managerial, marketing, and technical capabilities (Spanos and Lioukas, 2001). Marketing capabilities includes different sets of marketing-related capabilities such as market research tools, strategic marketing management, marketing mix policies, marketing complementarities (Verona, 1999).

Conclusion

EU legislation states marked differences which can generate distortions of competition and obstacles to the proper functioning of the internal market. These legislative differences lead to difficulties when engaged transboundary marketing activities, advertising campaigns and sales promotion. (Radulescu, Radulescu, Cetina, 2009)

Under these conditions, competitive success is more a necessity than an ambition of companies, is an aim in itself when we consider the work done by them. The specific marketing actions can be achieved management objectives proposed and developed these unique capabilities decisive in the competition. The marketing “voice” should be heard in the executives’ board room and a greater influence should be “guaranteed“ for marketing since marketing performance is one of the best roots to achieve a competitive advantage that will enable an organization to attract and retain customers paying satisfactory prices (Mamoun N. Akroush, 2012).

What must be understood in terms of adopting and implementing competitive marketing strategies is that they will be build and will determine the competitive advantage held by the company on the relevant market. Basically, the more dynamic competitive environment is especially required to treat very seriously the implementation of the marketing strategy. Build unique competencies of the organization is, on the other hand, an essential starting point in this regard as it will provide the unique value to consumers. The company will establish a strong competitive background able to enable it achieve marketing objectives and occupying a strong position on the relevant market.

References


