

# The Effect of Strategic Marketing Management on Fiscal Relations at Mahshers' National Company of Petrochemical Industry

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## Abstract

This study aimed to examine the effect of strategic marketing management on fiscal relations at Mahshers' national company of petrochemical industry. The research, examined the commercial studies in terms of industrial suppliers, their strategic and holistic programming as well as the effect of the factors on fiscal relations.

The sample includes 169 staffs (clerks, managers and counselors) of active companies in the field which were selected randomly. The applied instrument was fiscal relations Questionnaire. The gathered data was analysed by SPSS Software (18<sup>th</sup> version) and the applied statistics were one-sample *t*.test, Regression and Colmogrov - Smirnov.

**Keywords:** Strategic Marketing Management, Fiscal Relations, Petrochemical Senior Managers

## Introduction

From a theoretical view, strategic management is alongside with change in management theories, classic school of behaviour and quantitative management which in turn can control by management. The issues include production programming, subordinates, behavior, job environment improvement, role of informal groups in work productivity, quantitative models of decision making and so on.

However, no one of political atmosphere of society, people's perception, and external institutions were their focus, because the environment was stable and no need to do special things in this regard. Over time this stable situation was changed and managers pay attention to the situation of organisation and concepts such as long programming of economical system, and strategy and strategic management. The changes were actually a response to political and fiscal environment in the world. One of the most important instruments to make changes in organisations is environmental analysis.

Managers try to get more information from organisational and extra organisational via environmental analysis. To have an efficient and effective analysis of environmental organisation, manager should know the organisation well.

The result of organisational analysis determining purposes and missions of the organisation, therefore, the method is a way which strategists can administer their long-term programs (Shekarkhan, 2000).

Strategists examine environment and address challenges as well as chances of an organisation. Basically, strategic management is defined in terms of effect on the internal and external environment. Organisational decisions are made according to external and internal analysis of environment and strategists try to understand, do they need to change their strategies or should they continue.

In some cases, strategies are changed to achieve higher levels purposes or being able to neutralise the probable threats (Fered, 1990).

Strategic management includes a set of decisions and managerial activities which determine long term function of a company. In other word the concept includes environmental examine (whether internal or external), formulation of a strategy, administration of the program, assessment and control. Thus, it can be said that strategic management focuses on monitoring and assessments of chances as well as threats in light of abilities and deficiencies of a company. Mahshahr's petrochemical company like other companies uses managerial strategies to achieve its purposes. In the process, managers use strategic marketing management to know external threats as well as their abilities and deficiencies.

As the environment is changed rapidly, it needs to have a holistic program to face it and the program is just strategic management. The program bases on dynamic mind, prospective, holistic and contingent which are solutions of many problems of contemporary companies. The most determining factors of commercial success are managers' apperception of rivals, markets, prices of raw materials, Distributors, states and customers which all relate to strategic management (Fered, 1990).

### **Methodology**

This study has an applied purpose with a casual nature. In applied researches, rules, techniques and laws are used to solve administrative problems. In casual studies a cause and effect relationship is followed to determine the effect of a factor on the other

### **Statistical community and sampling**

All of the employees, senior managers and consultants in Mahshahr petrochemical company were statistical community of the study which among them 169 people were selected via random classified sampling.

### **Instrumentation**

There was only one questionnaire in the study, Fiscal relationships Questionnaire (FRQ). The Questionnaire has 48 items. According to the introducers of the instrument, it has very good position in terms of validity and reliability, so that its validity coefficient was reported .93 and its reliability coefficient was reported .87 which can be said very good in qualitative terms (Ogince, Hall, Robinson, Blackmore, 2007).

### **Research design**

The research method was casual and the applied statistics included kolmagrov-smirnoph, to test and regression in addition to descriptive statistics.

### **Literature review**

Sazgarnedzad (2011) in a survey in a detergent builder company found out that the strategy of the company is based on novelty, promoting of production processes, reduction of final price, production of qualified production in addition to improve skills and knowledge of staff.

According to the researchers, over time managers decided to invest in the industry in terms of technical knowledge. Shojaie and Gorgani (2012) in a survey on a loan cooperative company in economy ministry found the company should have strategies which courage members to invest in the company. Khalaj (2013) in an analysis of industry and market of petrochemical organisation showed the industry used defined methods to absorb foreign investment, among them can refer to finance which through, in debt country should return the debt in addition to its benefit and if the investor doesn't know of the market and its challenges and choices will face with problem. Other method, buyback, is based on buying the production (whole or partly) and in turn supports from the production process.

Faster and Nation believe effective application and using marketing studies are strategic instruments for industrial suppliers at macro level to achieve merit position in their market (2007). Having the recently information of tendency and view of target market, competitors' function, trend of consumers, fiscal, political, actual and industrial changes in target markets, makes a producer as the pioneer in the field. As international problems are complicated, there is a large difference between countries and industrial suppliers which are not familiar with decision making.

Complexity of international issues, clear difference between countries and unfamiliarity of industrial suppliers with situation of foreign countries make it necessary to take decision which are based on researches in order to prevent wrong decision. Thus, industrial suppliers try to promote quality of products and monitoring of competitors as well as consumers' behaviours (Fadayeji, 2009).

Industrial suppliers study external environment with applying SOWT Matrix to understand deficiencies, chances, advantages and threats. They finally select their actions with applying the result of the strategies.

During recent decades, with using new technologies, a lot of splinter which have been thrown away yet, can use and recycle. The event can be counted a milestone for beginning of postindustrial period. During 1984 general electric company based its products on producing electric motors, lightening devices and medical instruments. In fact, Managers of the company believe that diversity of their products can be a problem for them. The company in 1983 could have %92 of benefit just from 16 products which consists %87 of the company's selling. General electric tried to focus on a function that guarantees its leadership in the market (Ghobadi, 2005). The reset was based on the %70 consumption of the products (Saberji, 2010).

Henderson and Nectars (1993) provided a model to convergent information technology and marketing which covers two strategic dimensions; equivalence and operational integration which needs to a strategic formulation and covers two external and internal realms. The first one is strategic integration which refers to connection between marketing strategy from one side and IT strategy on the other side from external view. The second type relates to operational integrity which examines it in internal level.

Vuw and Luw (2003) studied the relationship between customer-management contact and marketing function in hoteling industry of Taiwan. They showed applying methods of management of relationship with customers had a positive effect on marketing. Pliter, zahay and lehmicinn (2013) studied organisational learning and successes and found out that qualified data from customers forms a corner stone for successful strategies and techniques of interactive marketing. At the same time, they showed situation can affect on customer absorption and function of company. Makooei (1990) showed that GIT administration can

help to know market and producing necessary goods. In fact GIT is a philosophy of production which can be used to decrease level of storage.

### Findings

To analysis the gathered data, at first demographic variables from descriptive view are examined. The variables include gender, education level and soon. Then, with applying inferential statistics the main variables are reviewed. To examine the normality of variables, Kolmogorov-Smirnov statistic is applied.

Table.1.

*Kolmogorov-Smirnov Statistics (Normality Of Variables)*

Variable	N	Value	P Value
Strategic Marketing management	169	1.83	.12
Marketing researches	169	1.73	.08
Strategic planning	169	1.53	.09
General Marketing programs	169	1.74	.1
Marketing relationships	169	1.64	.08

According to table.1 content, all variables showed significant difference which means the variables have normal distribution. To examine the difference between average of sample and community single sample t. test is used.

Table.2-

*T. Test of variables for optimisation*

Variables	Average	SD	AD*	t	d f	P Value
Strategic Marketing management	2.28	.62	-.71	-15.16	168	<.001
Marketing researches	3.41	.51	.41	10.38	168	<.001
Strategic planning	2.71	.46	-.29	-8.07	168	<.001
General Marketing programs	2.75	.57	-.24	-5.68	168	<.001
Marketing relationships	2.14	.39	-.86	-28.63	168	<.001

\* Average differences

With respect to the content of table.2, it can be said that strategic marketing management, marketing researches, strategic planning, general marketing programs and marketing

relationships showed significant difference between sample and community. As in all variable but marketing researches, the sample showed lower average than community. According the findings, the gathered data can be analysed in terms of optimisation.

In order to examine the research hypotheses, linear regression was used. There was also an ANOVA statistics to examine the hypotheses.

Table 3.

*Regression Model For Effect Of Variables on Marketing*

variables	B coefficients	SEB	t	r	R <sup>2</sup>	P value
Strategic Marketing Management	.37	.04	9.45	.59	.35	<.001
Research Marketing	.28	.05	5.15	.37	.14	<.001
Strategic planning	.29	.06	4.79	.35	.12	<.001
General Marketing plans	.41	.02	9.64	.6	.35	<.001

According to content of the table all variables had significant effect on the target variable. Thus, with respect to columns t, r, R<sup>2</sup> and significant level, it can be said the variables of strategic Marketing Management, Research Marketing, strategic planning and general Marketing plans all affected on the Marketing relationship as the target variable.

Table 4. Findings of ANOVA for the variables

variables	F	MS	SS	d f	P value
Strategic Marketing Management	89.25	16.69	8.92	168	<.001
Research Marketing	26.54	32.1	3.51	168	<.001
Strategic planning	22.95	22.22	3.09	168	<.001
General Marketing	93	16.45	9.16	168	<.001

With refer to table 4 and its content about ANOVA, it can be seen that all variables showed significant difference which in turn showed that the variables have drastic difference from the competitive explanation. The highest value belongs to general Marketing, F=93 (168,<.001), the second order was strategic Marketing Management, F=89. 25 (168,<.001). The rest variables Research Marketing and strategic planning are 26.54 and 22.95 receptively.

**Discussion and conclusion**

At first, it was found out that the gathered data has normal distribution. Thus, the data can be analysed and the result can be reliable. According to the findings, it was found that there

was a significant relationship between Marketing research and Marketing relationship. There was also a significant effect from general Marketing programs on marketing relationship. Findings of the current study in terms of effect of research Marketing suppliers Marketing relationships were in line with Viewwleio(2003), Zohay, Pliter and lehman (2013), and Henderson and Nikotraman (1993). Also, other researchers found similar results (Tavakoli and Hosseyni, 2006; Rostampour , 2009; Barzegar and Emami, 2011). Another finding, the effect of strategic planning of industrial suppliers on Marketing relationships was similar with Javanshir (1994), Zomorodian (2010) and Makooyei (2010).

In summary, it can be said that marketing is a phenomenon which should be known again, and the current study showed the necessity of the situation. However, there are so many variables which should be paid attention in the process, otherwise, the findings would be containment and cannot be relied to achieve valid knowledge.

### **Suggestions**

- \* Doing more researches with regard to information exchange with consumers, producers, marketing managers and others.
- \* Finding new markets to use more from current products and services.
- \* As the study was done in a small company, it is better to do it in large scale.
- \* Including more variables beside marketing relationship such as human relationship, consumer behaviour and so on.
- \* In the current study, the data gathered via question, now it is suggested to use interview as a device to collect data.

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