

A Surveying and Reviewing on Marketing of After Sales Services for Industrial Goods

Dr. Hasan Esmailpour¹, Hosein Asadi²

¹:Department of Management, Islamic Azad University, Arak Branch, Arak, Iran

²:Department of Business Management, Islamic Azad University, Arak Branch, Arak, Iran
asadihesein@yahoo.com

Abstract: Due to the every research and practical expert that is dealing with area of industrial goods marketing we must say, that this area is not accepted and elaborated as a marketing for consume subjects both from the viewpoint of theoretical as well as practical. Such situation exists also abroad. In our paper we will find where obstacles for naturalization of marketing opinions of industrial goods marketing in practice are. We will find more deals that underline correctness of showed arguments due to other till now problems not analyzed.

[Dr. Hasan Esmailpour, Hosein Asadi. **A Surveying and Reviewing on Marketing of After Sales Services for Industrial Goods.** *Academ Arena* 2018;10(12):102-106]. ISSN 1553-992X (print); ISSN 2158-771X (online). <http://www.sciencepub.net/academia>. 8. doi:[10.7537/marsaaj101218.08](https://doi.org/10.7537/marsaaj101218.08).

Key words: industrial goods marketing, marketing of consume subjects, market of immediate material.

1. Introduction

We will show individual deals not from the viewpoint of their importance; Industrial goods marketing is not accepted and unified as marketing of consume subjects both from the viewpoint of theoretical as well as practical. Deal for such situation is not impuissance, intention lacking, but whole chain of clearly defined facts. We will only point to them with comment, that not all deals can show itself at the same time. Industrial goods marketing is marketing of goods and services that are stated for institutions and customers from the firm position. On the other hand consume marketing is orientated to the individuals, families and households that provide good and service for their own consume. Here is difference between them and institutions that purchase goods and services for the need of further elaboration. Such specification includes companies, government, public and education institutions, hospitals, wholesales and other organizations. Industrial goods marketing keeps running economy by providing of goods and services that are necessary for firms, agencies, government institutions, hospitals, universities and other providers of goods and services. According estimation transactions of industrial goods marketing are double value that is purchased from customers on the consume market. It is natural when we realize long and complex chain of transactions on the industrial goods market that is preceding good and sale of the good for final consumer. It is obvious, that such chain is leading from one producer to other, and it is practically closed circle.

Purchased goods as for example immediate material, components and final goods are becoming part of the customer's good, or they are added to the equipment as spare parts or outfit. Secondary sellers (small traders, distributors, and wholesalers) are

selling good further but at the same time they add value from the service that is provided in its frame. They can be also elaborated in process of good as a fuel, stocks or building materials.

2. Methodology

In most organizations producing and selling good means workers with technical education are primarily participating on the decisions (about purchase and sale), but in their opinions marketing is not occurring. Problems and obstacles for establishing of industrial goods marketing in practice are possible to be following up in several levels, both from the side of marketing position, as well as from the side of individual firm's management. Primarily due to the fact, that engineers are not learning or they were not learning in education institutions basics of marketing conception or such education is not adequate to its importance and they themselves are thinking, that during organization management and qualitative work such conception is not necessary.

Technical development, increasing demands of the customers compel producers of good means to solve problems always on higher level, that result on the always better and latter goods. But real success is possible to achieve only according decisions, accepted on the basis of marketing information, by marketing practice. Theoretically not Iran organizations can avoid such development necessity since life cycle for majority of goods is considerably shortening, but on the other hand development of new goods is demanding always more time and means.

Faster or slower performed changes in economy position (world economy, national economy) are in many cases decisive for individual organizations. Situation in this direction is moreover worsening by the fact, that new goods present always complex

situation that can several fold increase risk of their leading on the market. It is enough to show to the fact, that after planned investment and diversification we can find, that there is not sufficient demand for produced good, there is not possible to realize good such effectively as we planned it ahead.

It is time to realize, that in present time only marketing conception can bring results instead of sale conception. Practice of good means producers shows that organization leaders are primarily interested about questions connected with existed technical parameters and capacity using that lead to the fact, that here is not sufficient attention to the solving of customer's problems. For Iran organizations producing good means adaptation to the economy position is obstructed also by the fact, that conditions are very quickly changed and there is not possible to find economical effectiveness of developed goods ahead. Conception orientated to the market should demand that customer's problems of technical and economical character in complex way reflect in several variants of problems solution and in long term conception about good.

3. Results

Marketing management should be in bigger firms as individual department that is administratively imparted directly under general director as firm's unit with particular position and with clearly system specified competencies and activities that could exclude possibility of not enough coordination of market responsiveness and weak synergy and effectiveness during cooperation with other units and firm's activities.

Majority of such types of good organizations dispose with sufficient sale market system that is rather restraining not helping marketing activities. Yet also efforts to incorporate marketing to the organization structure show that marketing groups or department (when there exist some) work rather isolated and they are not including firm's activity as a whole. Traditionally managed mainly bigger firms dispose primarily with function model of organization structure that not allows growing together with performed work due to the fact, that working process is for employees not so transparent.

Marketing orientated management demands timely information for decision, enabling to solve raising problems. This assumes from market – suppliers, customers, competition, etc. – systematic securing of information flow, mainly by the fact that several participants on individual levels of firm's hierarchy will obtain stricture information in the frame of their sphere of action.

Applying of marketing research on the market of good sphere in its relative as well as absolute

understanding keeps behind researches performed in area of consumer goods. Hence our good organizations make such middle term and long term decisions, that considerably influence their activity and many times also effectiveness of country economy, therefore they are not thinking about research. When we look around we can show very few examples, where good information system can exist in our organizations, that will be for example systematically providing information from customer to producer or vice versa that would be time to time also evaluated.

In activity of our organizations there are totally lacking annual evaluations of such character, that could inform about level of saturation or not saturation of the main goods market, about their life cycle, about market segments by this way, that success resp. bad luck could be analyzed. Also effectiveness of applied marketing tools are regularly analyzed only in narrow circle and when it is performed, conclusions are only too little touching further planning and decision making.

Existence of good means market is obstructed by the fact, that due to the sufficient effectiveness it is necessary to be participating on international markets, since capacity of domestic markets is not sufficient, therefore information about international market are also very important. Marketing is still today connected with such keywords as "sale", "advertisement", "market influencing", "market research". It is necessary that many experts will make known and adapt marketing content and its basis.

Until now we have analyzed several external as well as internal factors that obstruct development of industrial goods marketing. Many experiences point to the fact that marketing on universities, high schools, education institutions is not becoming such position which should be important for practice aims.

We will try to link further views, since goal is to have not only general realities from analysis, but also to know specific factors applied for Iran economy. In following text we will show part of common difficulties during establishing of industrial goods marketing in Iran conditions. Iran economy as a whole is influenced by several changes that press on considerable change of business policy in individual organizations. Systematic and conception work during market knowing in our organizations was till now not sufficient elements, but heavy conditions can speed up process of adaptation.

In previous periods – mainly in area of industrial goods – changes have been performed very slowly due to the out of date good equipments and due to the slow process of novelties establishing and market developing thinking. Destruction of certain markets leads many times to the rash behavior since securing

of survival has become problematic. But speed decisions do not promote systematic marketing thinking.

Market change, aiming mainly to the harder conditions demanded on the market, is hard work that is unable to make in short time. Mainly for producers of good means without previous high qualified innovation and investment development high quality or competitiveness is not real goal. For stating of business strategy, defining of strong and weak places in organization it is necessary to apply present theoretical results of good means marketing.

Not only those, who decide and deal with market, but also technical experts are standing before new tasks. It is necessary to appear on the new but also on the old markets with such relative or real technical novelties that change considerably present comfort situation of development workers.

One of the important factors for success of industrial goods marketing is building and development of good personal relationships. But in present conditions there is better experts' mobility, familiar partners are moving to the new working places, there are appearing new partners, but this demands enough time.

In several branches not only partners are disappearing, but also individual firms, with which there were created good business relationships. Firms' bankruptcy and not certain payment ability tear down also other firms. In branches that are linking to each other there is applied so called "domino effect". When we see new creating relationships in conditions of economical situation changes of our state from any view, we can say that considerable opinion change is very important.

Tools of industrial goods marketing are necessary to be use also on the market with immediate material. Market with immediate material has namely its specifics, due to which we cannot use marketing theory on such market in its classical conception.

Main deals why marketing of immediate material is such typical are following characteristics of market with immediate material:

1. long preliminary preparation of good,
2. technological and technical severity of mining,
3. specialized good,
4. price of immediate material depends greatly on position of consumer and transport prices,
 - in case when we use immediate material for example for building aims, its possible to substitute them mutually,
 - mining firms are significant employers for people in regions, due to which they are many times not effectively supported by autonomy and

government, also in case when there is not adequate market that could bring profit for the firm,

- Mining firms are not popular due to the devastation of living position, directly or secondarily. More of the consequences to the living position (for example land slide, chimneys) are expressing only after several years,

5. existence of heavy firm is legislatively dependent on the government decisions,

- Generally it is difficult to speak about Public relations, since mining firms are not popular due to the devastation of living position, and since they themselves need high cost for investment, this part of marketing is not effective to finance.

In spite of such specifics marketing has also in this branch its position. Its task is in the following:

6. during services around immediate material delivery, customer's service, prompt transaction of orders, etc.,

- during decision about form of delivered immediate material for which there is applied marketing research of the market,

- during prediction of volume of immediate material mining and further firm's development by the help of marketing research of the market,

7. During specific and concrete demands of the firm, customer and market. (OPEC 2007)

It has become strategic and political immediate material for which there is extraordinary interest in global whole world position. No doubt earth energy belongs in present time among most precious immediate material. When we want to see marketing on the market with earth oils and its goods as a whole it is necessary to divide whole problematic of marketing with earth energy market according value chain, where earth energy must run in whole spectrum of manipulation and technological chain, from earth energy deposit research, through mining, transport by logistics capacities to the place of elaboration (refinery), own elaboration, transport to the energy stations till using by final customers from the private and business sphere. Therefore marketing on the market with earth energy concludes many subjects and every one of them has different viewpoint to the earth energy and its goods and certainly also different methodology and goal.

Show ed figure illustrated way of earth energy to the final consumer. The more are subjects in this chain, the higher is price for final consumer. At the same time when price at the input is increasing, that means at the seller of extracted earth oil, there is legitimately price increasing at the end of the chain that is at the final customer. We will now look at the complexity of the marketing and marketing philosophy of earth energy and energy goods through the eyes of marketer of several subjects in value chain.

From the viewpoint of mining organizations and state, which have deposits of earth energy goods marketing means to concentrate to the fact, that demand and supply would be in equilibrium controlled by earth energy price development on the market? Thus as earth energy is black gold for states that have its deposits on their territory, so is this precious immediate material black gold also for every types of logistics organizations. Proper and specially more economical as to transport immediate energy many times with heavy solid impurity, is to transport it as a final good, that means such goods, that are shaking off heavy impurities and its elements. State, that is selling oil, is realized sale and ownership conversion including payment in time of tanker filling with oil, and by this way cost for transport and effectiveness is described to the customer. High profits of logistics companies are bounded with ton kilometers, but this brings with itself also higher risk of global ecological accidents. In manufacturing energy firm marketing exists towards entry that means towards energy obtaining for elaboration and towards outgoing, that means towards finding of most interesting profitable market segment that will buy elaborated goods. Modern marketing on the entry is based on the qualitative energy parameters in connection to its price, since mainly these two segments limit profitability and profit. During turning point of the century at the entry there are immediately balanced also cost for ecological measurements and energetic sources, since energy refinery is still viewed as ecologically sophisticated process and good equipments as ecologically potential threat. Economy of refinery is given by price on the entry and outgoing in the frame of value chain, due to which good chains are built and technologies without waste that valorize energy to more than 350 goods, have priority. From the 350 goods spectrum that is produced from the oil, most common good is energy material, gasoline and energy fuel. Marketing of energy stations is based on the principles that enable to realize profits. Mainly energy stations are in present days not only stand of energy issuing, but in reality they present complex of services, that create whole file of additional services, that are mutually complementing. Branded energy stations maintain bulk rebate of producers and distributors of fuel. Strategy of majority firms that manage energy stations is following: in case when energy price is increasing and in case when due to the price producers of energy increase price, also energy stations are increasing prices. In case when energy price is decrease, they react only sometimes and only partially, by this way from the viewpoint of marketing they produce profit. Final consumers and customers are at the end of the good of distribution and value chain and they are the ones that in spite of energy

price decreasing practically never mark price decreasing. Any energy price increasing has as a consequence real price increasing for every goods in short time delay, since business and good subjects must really regard in their cost also energy price. That means that in case when producers are increasing price of energy as a immediate material, and by this way they obtain means for their economical development with dramatic acceleration, they start to rotate spiral of inflation, they decrease competitiveness of other produced goods, they create assumption for deepening passive business balance of importing states and they decrease living standard of the people during increasing prices of all produced goods in economy.

4. Conclusion

Energetic problem is not possible to solve only by one way. Diversification of sources belong between solutions of European energetic safety, as well as diversification of importing tracks, energy saving, energetic effectiveness increasing and increasing of the rate of renewable sources. All this can lead to the solving of global energetic problem. Orientation to the customer and cost reduction is main motive power behind business with processes and new business strategies, orientated to the future. New ideas and concepts how to selling energy as a commodity demands change of orientation, how to draft modern information Technologies and sale and customers services by the way of marketing tools with regarding of specific characteristics of market with energy. Through implementation of marketing tools to the market with immediate material and with earth energy companies can optimize their business processes, increase their good and maintain at the same time high level of their customer's services. In the presented paper we have shown to the factors that must be considered during establishing of industrial goods marketing in practice with following pointing to the marketing of immediate material and earth energy marketing. It is necessary to realize, that economical effectiveness of energetic organizations cannot be secured without applying of marketing tools in concrete conditions of business.

Corresponding Author:

Hosein Asadi

Department of Business Management, Islamic Azad University, Arak Branch, Arak, Iran

asadihesein@yahoo.com

References

1. Achumba, I.C. (2000). Strategic Marketing Management in the 21 century: Charlotte: MacWilliams st and Capital Publishers.

2. Asika, N. (1991). *Research Methodology in the Behavioral Sciences*. Lagos, Longman.
3. Berkowitz, M. K. and G. H. Haines (1982), "Predicting Demand for Residential Solar Heating," *Management Science*, 28, 717-727.
4. Choffrey, J. M. and G. L. Lilien (1980), *Market Planning for New Industrial goods Goods*, New York: John Wiley.
5. Gumbel, E. J. (1958), *Statistics of Extremes*, New York: Columbia University Press.
6. Hauser, J. R. and G. L. Urban (1977), "A Normative Methodology for Modeling Consumer Response to Innovation," *Operations Research*, 25, 579-619.
7. Herman, K. (1972). *The year 2000*. Harvard Business Review In: John Wilmshurst, editor, *The Fundamental and Practice of Marketing*, 2nd ed. William Heinemann, London.
8. Kotler, P. (1988). *Marketing Management Analysis, Planning, Implementation and Control*, 6th ed. Prentice Hall, New Jersey.
9. Levitt T. (1981). *Marketing intangibles goods and good intangibles*, Harvard Business Review May-June: 94-102.
10. McCarthy, J. (1981). *Basic Marketing*, 8th Edition. Richard D. Irwin, Homewood, Illinois.
11. McFadden, D. (1974), "Conditional Logic Analysis of Qualitative Choice Behavior," in *Frontiers in Econometrics*, P. Zarembka, ed., New York: Academic Press, 105-142.
12. Narasimhan, C. and S. K. Sen (1983), "New Good Models for Test Market Data," *Journal of Marketing*, 47 (Winter), 11-24.
13. Oren, S. S. (1974), "A Random Utility-Luce Model of Individual Choice Behavior for Market Research Applications," Report ARG 74-13, Analysis Research Group, Xerox Palo Alto Research Center.
14. Oren, S. S., M. H. Rothkopf and R. D. Smallwood (1980), "Evaluating a New Market: A Forecasting System for Nonimpact Computer Printers," *Interfaces*, 10, 6 (December), 76-87.
15. Parfitt, J. H. and B. J. K. Collins (1968), "Use of Consumer Panels for Brand Share Prediction," *Journal of Marketing Research*, 5 (May), 293-321.
16. Shapiro, B. P. & John Wyman (1981). *New ways to reach your customers*. Harvard Business Review July-August: 103-110.
17. Shocker, A. D. and V. Srinivasan (1979), "Multi-attribute Approaches to Good Concept.
18. Stanton, W.J. (1971). *Fundamental of Marketing* 3rd ed, McGimmediate-Hill, New York.
19. Whilmshurst, J. (1985). *The Fundamental and Practice of Marketing*, 2nd ed., published on behalf of the Institutes of Marketing London by William Heinemann.

12/25/2018